

CSS CODES

IN THIS APPENDIX

TOPIC	SEE PAGE:
TRUTH IN LENDING (OPEN-END)	C2-3
TRUTH IN LENDING (CLOSED-END)	C2-14
TRUTH IN LENDING (OTHER)	C2-21
CONSUMER LEASING	C2-22
FAIR CREDIT REPORTING	C2-23
REAL ESTATE SETTLEMENT PROCEDURES ACT	C2-24
FLOOD INSURANCE	C2-35
TRUTH IN SAVINGS	C2-37
PART 329 – INTEREST ON DEPOSITS	C2-42
FAIR DEBT COLLECTION PRACTICES	C2-43
PRESERVATION OF CONSUMER CLAIMS AND DEFENSES	C2-44
ELECTRONIC FUND TRANSFERS	C2-45
EQUAL CREDIT OPPORTUNITY	C2-52
FAIR HOUSING	C2-59
HOME MORTGAGE DISCLOSURE ACT	C2-71
COMMUNITY REINVESTMENT ACT	C2-74
EXPEDITED FUNDS AVAILABILITY	C2-77
CREDIT PRACTICES RULE	C2-81
RIGHT TO FINANCIAL PRIVACY	C2-82
PART 328 – ADVERTISEMENT OF MEMBERSHIP	C2-83

March 18, 1996

IMPORTANT

TRUTH IN LENDING AND REGULATION Z

The following violation descriptions do not reflect amendments made to Regulation Z effective October 1, 1995. The amendments resulted in the addition of Subpart E – Special Rules for Certain Home Mortgage Transactions being added to Regulation Z. Violation descriptions reflecting Subpart E will be forthcoming.

The following violation descriptions do not reflect amendments made to the Truth in Lending Act as of September 30, 1995. Violation descriptions reflecting these amendments will be forthcoming.

**CSS CODES
VIOLATION CODE DIRECTORY**

CODE NUMBER	<u>TRUTH IN LENDING – OPEN-END CREDIT</u>
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Section 226.5a – Credit and Charge Card Applications and Solicitations

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| 050201 | Section 226.5a(a)(2) of Regulation Z requires that disclosures in paragraphs (b)(1) through (7) of Section 226.5a(b) be provided in a prominent location and in tabular format on or with a solicitation or an application to open a credit card account. Disclosures in paragraphs (b)(8) through (10) must be provided in the table or clearly and conspicuously elsewhere. The term "grace period" must be used. |
| 050401 | Section 226.5a(b) of Regulation Z requires the following disclosures for credit card applications: annual percentage rate(s), fees for issuance or availability, minimum finance charge, transaction charges, grace period (or no grace period), balance computation method, cash advance fee, late payment fee and over-the-limit fee. |
| 050601 | Section 226.5a(c) of Regulation Z requires the disclosures in Section 226.5a(b) for direct mail applications and solicitations. |
| 050801 | Section 226.5a(d) of Regulation Z requires that disclosures in paragraphs (b)(1) through (7) of Section 226.5a(b) be provided orally in telephone applications and solicitations. |
| 051001 | Section 226.5a(e) of Regulation Z requires the disclosures, to the extent applicable, in paragraphs (e)(1),(2) or (3) of this section on applications and solicitations which are made available to the general public and requires the card issuer to provide a prompt response to requests for information regarding these disclosures. |

CODE**NUMBER****TRUTH IN LENDING – OPEN-END CREDIT****Section 226.5b – Requirements for Home Equity Plans**

- 052001 Section 226.5b(a) of Regulation Z requires that disclosures should be grouped together and segregated from all unrelated information except for third-party fees and variable-rate information which may be provided separately. Disclosures in paragraph (d)(1) through (4)(ii) of this section should precede the other disclosures.
- 052201 Section 226.5b(b) of Regulation Z requires that the disclosures and brochure be provided at the time an application is provided to the consumer. In the case of applications contained in publications or received by telephone, the disclosures and brochure should be delivered or mailed within three days of receipt of the application.
- 052401 Section 226.5b(d) of Regulation Z requires the following disclosures to the extent applicable: (1) retention of information by the consumer, (2) conditions for disclosed terms, (3) security interest and risk of loss of home, (4) possible actions by creditor, (5) payment terms, (6) annual percentage rate, (7) fees imposed by creditor, (8) fees imposed by third parties to open a plan, (9) negative amortization, (10) transaction requirements, (11) tax implications and (12) disclosures for variable-rate plans.
- 052601 Section 226.5b(e) of Regulation Z requires that the home equity brochure published by the Federal Reserve Board or a suitable substitute be provided to the consumer.
- 052801 Section 226.5b(f)(1) of Regulation Z prohibits a creditor from changing the annual percentage rate unless the change is based on an index which is not under the creditor's control and which is available to the general public.
- 053001 Section 226.5b(f)(2) of Regulation Z prohibits a creditor from terminating a plan or demanding repayment of the entire outstanding balance in advance unless (1) there is fraud or material misrepresentation by the consumer, (2) the consumer fails to meet the repayment terms, or (3) any action or inaction by the consumer adversely affects the creditor's security or any right in such security.

CODE**NUMBER****TRUTH IN LENDING – OPEN-END CREDIT**

- 053201 Section 226.5b(f)(3) of Regulation Z prohibits a creditor from changing any term of a home equity plan unless the change is the result of one of the six conditions specifically noted by this section: (1) Provide in the initial agreement that specified changes will occur if a specific event takes place, or it may prohibit additional extensions of credit or reduce the credit limit during any period in which the maximum APR is reached, (2) change the index and margin used under the plan if the initial index is no longer available, the new index has a historical movement similar to the original index, and the new index or margin would have resulted in an APR substantially similar to the rate in effect at the time the original index became available, (3) make a specific change if the consumer specifically agrees to it in writing at that time, (4) make a change that will unequivocally benefit the consumer throughout the remainder of the plan, (5) make an insignificant change to terms, (6) other conditions specifically allowed by this section.
- 053401 Section 226.5b(g) of Regulation Z requires the creditor to refund all fees paid by the consumer if any term required to be disclosed changes (other than a change due to fluctuations of the index) before the plan is opened, and the consumer elects not to open the plan.
- 053601 Section 226.5b(h) of Regulation Z prohibits a creditor from imposing a non-refundable fee until three business days after the consumer receives the disclosures and brochure.
- Section 226.5 – General Disclosure Requirements
- 060101 Section 226.5(a) of Regulation Z requires the creditor to provide written disclosures in a form that the consumer may retain (with certain exceptions), and requires that the terms "finance charge" and "annual percentage rate," where they are required to be used, be printed more conspicuously (with certain exceptions) than other required terminology.
- 060701 Section 226.5(b)(1) of Regulation Z requires that initial disclosure statements be furnished to consumers before the first transaction.
- 060901 Section 226.5(b)(2) of Regulation Z requires the creditor to mail or deliver periodic statements in appropriate situations within the specified time limits.

CODE**NUMBER****TRUTH IN LENDING – OPEN-END CREDIT**

- 061001 Section 226.5(b)(3) of Regulation Z requires the card issuer to furnish disclosures for credit card applications on or with a solicitation or an application to open a credit card account.
- 061301 Section 226.5(c) of Regulation Z requires the creditor to make disclosures which reflect the terms of the legal obligation between the parties involved and, when any information necessary for accurate disclosures is unknown, to clearly state that the disclosure is an estimate.
- 061901 Section 226.5(d) of Regulation Z requires, when a transaction involves more than one customer and the right of rescission is applicable, that the creditor make disclosures required by Sections 226.6 and 226.15(b) to each consumer having the right to rescind.
- Section 226.6 – Initial Disclosure Statement
- 062301 Section 226.6 of Regulation Z requires the creditor to make initial disclosures in connection with the opening of a new open-credit account in terminology consistent with that to be used on the periodic statement.
- 062501 Section 226.6(a)(1) of Regulation Z requires the creditor to explain on the initial disclosure statement the circumstances under which a finance charge will be imposed, including the time period, if any, during which payment may be made without incurring a finance charge.
- 062701 Section 226.6(a)(2) of Regulation Z requires an explanation on the initial disclosure statement of each periodic rate used to compute the finance charge, the range of balances to which it is applicable, and the corresponding annual percentage rate. When different rates apply to different types of transactions, the creditor is required to explain which rates apply to which transactions.
- 062901 Section 226.6(a)(3) of Regulation Z requires an explanation on the initial disclosure statement of the method of determining the balance upon which a finance charge may be imposed.

CODE**NUMBER****TRUTH IN LENDING – OPEN-END CREDIT**

- 063101 Section 226.6(a)(4) of Regulation Z requires the creditor to explain on the initial disclosure statement the method of determining the amount of the finance charge, including a description of how any finance charge other than the periodic rate will be determined.
- 063301 Section 226.6(b) of Regulation Z requires the creditor to explain on the initial disclosure statement the amount of any charge, other than the finance charge, that may be imposed as part of the plan, or an explanation of how the charge will be determined.
- 063501 Section 226.6(c) of Regulation Z requires the creditor to state on the initial disclosure statement the fact that the creditor has or will acquire a security interest in the property purchased under the plan, or in other security identified by item or type.
- 063701 Section 226.6(d) of Regulation Z requires the creditor to provide, with the initial disclosure statement, a statement of billing rights that outlines the consumer's rights and the creditor's responsibilities under Sections 226.12(c) and 226.13, and that is substantially similar to the statement in Appendix G of the regulation.
- 063801 Section 226.6(e) of Regulation Z (Home Equity Plan) requires the creditor to furnish an initial disclosure statement with the following disclosures as applicable: possible actions by the creditor, payment terms, statement on negative amortization, transaction requirements, tax implications, statement on annual percentage rate, and certain variable-rate disclosures unless provided with the application, in a form the consumer could keep, and included a payment example for the payment option chosen by the consumer.

Section 226.7 – Periodic Statements

- 064101 Section 226.7 of Regulation Z requires the creditor to provide a periodic statement.
- 064301 Section 226.7(a) of Regulation Z requires disclosure on the periodic statement of the "previous balance" or the account balance outstanding at the beginning of the billing cycle.

CODE**NUMBER****TRUTH IN LENDING – OPEN-END CREDIT**

064501	Section 226.7(b) of Regulation Z requires disclosure on the periodic statement of the identification of each credit transaction.
064701	Section 226.7(c) of Regulation Z requires disclosure on the periodic statement of any credit to the account during the billing cycle, including the amount and date of the crediting.
064901	Section 226.7(d) of Regulation Z requires disclosure on the periodic statement of each periodic rate that may be used to compute the finance charge, the range of balances to which it is applicable, and the corresponding annual percentage rate or rates.
065501	Section 226.7(e) of Regulation Z requires disclosure on the periodic statement of the amount of the balance to which a periodic rate was applied and an explanation of how that balance was determined. If the balance on a periodic statement is determined without first deducting all credits, the creditor must disclose that fact and the amount of such credits.
066101	Section 226.7(f) of Regulation Z requires disclosure on the periodic statement of the amount of any finance charge debited or added to the account during the billing cycle, using the term "finance charge." It also requires disclosure of the components of the finance charge, individually itemized and identified to show the amount(s) due to the application of periodic rates and the amount(s) of any other type of finance charge.
066301	Section 226.7(g) of Regulation Z requires disclosure on the periodic statement of the annual percentage rate when a finance charge is imposed during a billing cycle, using the term "annual percentage rate."
066501	Section 226.7(h) of Regulation Z requires disclosure on the periodic statement of the amounts of any charges other than finance charges debited to the account during the billing cycle, itemized and identified by type.
066701	Section 226.7(i) of Regulation Z requires disclosure on the periodic statement of the closing date of the billing cycle and the account balance outstanding on that date.

CODE**NUMBER****TRUTH IN LENDING – OPEN-END CREDIT**

066901 Section 226.7(j) of Regulation Z requires disclosure on the periodic statement of the date by which, or the time period within which, the new balance or any portion of the new balance must be paid to avoid additional finance charges.

067101 Section 226.7(k) of Regulation Z requires disclosure on the periodic statement of the address for notice of billing errors. The address may be provided on the short-form billing rights statement, if utilized.

Section 226.8 – Identification of Transactions

068101 Section 226.8 of Regulation Z requires the creditor to properly identify credit transactions on or with the first periodic statement that reflects the transaction.

Section 226.9 – Subsequent Disclosure Requirements

069101 Section 226.9(a) of Regulation Z requires the creditor to mail or deliver the required billing rights statement at least once per calendar year (at intervals of not less than six months nor more than 18 months), either to all consumers or to each consumer entitled to receive a periodic statement for any one billing cycle. If a short-form billing rights statement is used in lieu of the annual statement, the creditor is required to mail or deliver the short-form statement on or with each periodic statement.

069501 Section 226.9(b) of Regulation Z requires certain disclosures when supplemental credit features are added to an existing account or when a credit device is delivered 30 days or more after the consumer opened the account.

069801 Section 226.9(c) of Regulation Z requires the creditor to provide written notice of a change in the terms of open-end credit accounts within a specified time period.

069901 Section 226.9(c)(3) of Regulation Z (Home Equity Plan) requires a creditor who prohibits additional extensions of credit or reduces the credit limit to mail or deliver written notice of this action with the specific reasons not later than three business days after the action is taken. A requirement for reinstatement of credit must be included on the notice.

CODE**NUMBER****TRUTH IN LENDING – OPEN-END CREDIT**

- 070101 Section 226.9(d)(1) of Regulation Z requires the creditor to disclose the amount of any finance charge imposed prior to its imposition whenever a charge is made at the time of honoring a credit card which the financial institution did not issue.
- 070201 Section 226.9(e) of Regulation Z requires a card issuer that imposes any fee to renew a credit card to mail or deliver written notice of renewal (or provide delayed notice under Section 226.9(e)(2)) at least 30 days or one billing cycle, whichever is less, before mailing or delivering the statement on which the renewal fee is charged to the account. Notice must contain disclosures that would apply if the account were renewed and how and when the cardholder may terminate the account and avoid paying the renewal fee. If disclosures are provided on the back of a periodic statement, a reference must be included on the front of the statement.
- 070301 Section 226.9(f)(1) of Regulation Z requires written notice 30 days before a change in insurance providers occurs. The notice must explain any increased rate and reduction in coverage, and a statement that the consumer may discontinue the credit insurance.
- 070401 Section 226.9(f)(2) of Regulation Z requires written notice 30 days after a change in insurance providers occurs. The notice must provide: (1) the name and address of the new insurance provider, (2) a copy of the new policy or certificate containing the basic terms of insurance and rate to be charged, and (3) a statement that the consumer may discontinue the insurance.

Section 226.10 – Crediting of Payments

- 070701 Section 226.10(a) of Regulation Z requires the creditor to credit a payment to the customer's account as of the date of receipt.
- 070901 Section 226.10(c) of Regulation Z requires the creditor to make credit adjustments to an account during the next billing cycle following the imposition of late payment or other charges resulting from the creditor's failure to promptly post a consumer's payment.

Section 226.11 – Credit Balances

- 071501 Section 226.11 of Regulation Z requires the creditor to properly handle credit balances.

**CODE
NUMBER TRUTH IN LENDING – OPEN-END CREDIT**

Section 226.12 – Special Credit Card Provisions

- 072501 Section 226.12(a) of Regulation Z requires that credit cards be issued only in response to an oral or written request or application for the card, or as renewals of or substitutions for accepted credit cards.
- 072701 Section 226.12(b) of Regulation Z prohibits the creditor from soliciting or accepting payment in excess of a cardholder's liability for unauthorized use, or from misrepresenting a cardholder's liability for unauthorized use.
- 072901 Section 226.12(c)(2) of Regulation Z requires that the creditor shall not report a disputed amount as delinquent until the dispute is settled or judgment is rendered against the consumer.
- 073101 Section 226.12(d)(1) of Regulation Z prohibits the creditor from offsetting a cardholder's indebtedness against funds of the cardholder held on deposit with the card issuer.
- 073301 Section 226.12(e) of Regulation Z requires any creditor other than the card issuer to promptly notify the card issuer of returns, and to credit refunds to a consumer's account within three business days from receipt of a credit statement.
- 073501 Section 226.12(f) of Regulation Z states that no card issuer may prohibit any person who honors the card from offering discounts to consumers and prohibits the card issuer from requiring any person who honors the card to open or maintain a deposit account or procure any other service not essential to the operation of the credit card plan as a condition of participation in the plan.

Section 226.13 – Billing Error Resolution

- 074101 Section 226.13(c) of Regulation Z requires the creditor to provide written acknowledgment of receipt of notification of a billing error within 30 days after receipt, and to resolve billing errors within two complete billing cycles but no later than 90 days.

CODE**NUMBER****TRUTH IN LENDING – OPEN-END CREDIT**

- 074501 Section 226.13(d) of Regulation Z prohibits collecting any portion of a disputed amount or deducting any part of a disputed amount or related charges from the cardholder's deposit account, and reporting or threatening to report adversely on a consumer's credit standing because of failure to pay a disputed amount.
- 074901 Section 226.13(e) of Regulation Z requires the creditor to correct a consumer's account, and to provide a written notification of corrections.
- 075301 Section 226.13(f) of Regulation Z requires the creditor to provide an appropriate written explanation when the creditor determines that no billing error or a different billing error occurred and, when requested by the consumer, to furnish copies of documentary evidence of the consumer's indebtedness. This section further requires the creditor to credit the consumer's account with any disputed amount and related charges, as applicable, when the creditor determines that a different billing error occurred.
- 075901 Section 226.13(g) of Regulation Z requires the creditor to promptly provide written notification of the amount owed with regard to the disputed item, as well as when payment is due. The creditor must allow any time period disclosed under Section 226.6(a)(1) and 226.7(j) during which the consumer can pay the amount due without incurring additional finance or other charges.
- Section 226.15 – Right of Rescission**
- 077101 Section 226.15(a) of Regulation Z prohibits the creditor from refusing to permit a consumer to rescind an applicable credit transaction before midnight of the third business day following the date of consummation of the transaction.
- 077301 Section 226.15(b) of Regulation Z requires the creditor in certain cases to deliver two copies of the written notice of the right to rescind to each consumer entitled to rescind.
- 077501 Section 226.15(c) of Regulation Z requires the creditor in certain cases to delay disbursement until after the rescission period has expired and the creditor is reasonably satisfied that the consumer has not rescinded.
- 077701 Section 226.15(e) of Regulation Z prohibits the use of printed forms for waiver of the right of rescission.

**CODE
NUMBER TRUTH IN LENDING – OPEN-END CREDIT**

Section 226.16 – Advertising

- 078501 Section 226.16 of Regulation Z requires that, if an advertisement for open-end credit states specific credit terms, it shall state only those that actually are or will be arranged or offered by the creditor, and if certain specific open-end credit terms are advertised, prescribed additional disclosures must be made.
- 078601 Section 226.16(d)(1) of Regulation Z requires that, if the finance charge or other charges or payment terms are stated in an advertisement for a home equity plan, the advertisement must clearly and conspicuously set forth the following: any loan fee that is a percentage of the credit limit, an estimate of any other fees for opening the plan, the annual percentage rate(s), and the maximum annual percentage rate that may be imposed by the plan.
- 078701 Section 226.16(d)(2) of Regulation Z (Home Equity Plan) requires that, if a discounted rate is advertised, the advertisement must state the period of time of the discounted rate and with equal prominence the current annual percentage rate that would have been in effect based on the index and margin.
- 078801 Section 226.16(d)(3) of Regulation Z (Home Equity Plan) requires that, if an advertisement contains a statement about a minimum periodic payment, it shall also state that a balloon payment may result.
- 078901 Section 226.16(d)(4) of Regulation Z (Home Equity Plan) requires that any statement about tax deductibility must not be misleading in advertisements.
- 079001 Section 226.16(d)(5) of Regulation Z (Home Equity Plan) requires that an advertisement may not refer to "free money" or any other similar misleading term.

**CODE
NUMBER TRUTH IN LENDING – CLOSED-END CREDIT**

Section 226.17 – General Disclosure Requirements

- 080101 Section 226.17(a) of Regulation Z requires the creditor to make written disclosures, properly grouped and segregated, in a form that the customer may retain, with a separate itemization of the amount financed. This section further requires that disclosure of the terms "finance charge" and "annual percentage rate" must be more conspicuous than other disclosures.
- 080501 Section 226.17(b) of Regulation Z requires the creditor to make disclosures before consummation of the transaction.
- 080701 Section 226.17(c) of Regulation Z requires that disclosures shall reflect the terms of the legal obligation between the parties, and when any information necessary for an accurate disclosure is unknown, the creditor must state that the disclosure is an estimate. The disclosure must be based on the best information reasonably available. (Appendix D provides a method of calculating the APR and other disclosures for construction loans, which may be used at the creditor's option, in disclosing construction financing.)
- 081101 Section 226.17(c)(5) of Regulation Z requires, for demand obligations, that the creditor make disclosures based on an assumed maturity of one year, except where an alternate maturity date is stated in the loan contract.
- 081301 Section 226.17(d) of Regulation Z requires, when a transaction involves multiple consumers and the right of rescission under Section 226.23 is applicable, that the creditor make disclosures to each consumer who has the right to rescind.
- 081501 Section 226.17(f) of Regulation Z requires, when disclosures are given before consummation and a subsequent event makes them inaccurate, that the creditor make new disclosures if the disclosed annual percentage rate varies by more than the tolerance allowed by Section 226.22(a).

Section 226.18 – Content of Disclosures

- 082101 Section 226.18(a) of Regulation Z requires the creditor to provide the customer with a copy of the disclosure statement that identifies the creditor.

CODE**NUMBER****TRUTH IN LENDING – CLOSED-END CREDIT**

- 082301 Section 226.18(b) of Regulation Z requires the creditor to properly calculate and disclose the "amount financed," using that term, and to include a brief description such as "the amount of credit provided to you or on your behalf".
- 082501 Section 226.18(c) of Regulation Z requires that the creditor provide the consumer with an accurate itemization of the amount financed, if the prescribed requirements for exclusion from disclosure are not met.
- 082701 Section 226.18(d) of Regulation Z requires disclosure of the "finance charge," using that term, and a brief description such as "the dollar amount the credit will cost you". The finance charge shall be considered accurate if it is not more than \$5 above or below the exact finance charge in a transaction involving an amount financed of \$1,000 or less, or not more than \$10 above or below the exact finance charge in a transaction involving an amount financed of more than \$1,000.
- 082702 Section 226.18(d) of Regulation Z requires the inclusion of loan fees, points, finder's fees or similar charges in the finance charge disclosure, as prescribed in Section 226.4(b)(3).
- 082703 Section 226.18(d) of Regulation Z requires inclusion of charges or premiums for credit life, accident, health or loss of income insurance in finance charge disclosure, if the conditions as described in Section 226.4(d)(1) are not met.
- 082704 Section 226.18(d) of Regulation Z requires inclusion of charges or premiums for insurance against loss of or damage to property or liability arising out of ownership or use of property in the finance charge disclosure, when the conditions described in Section 226.4(d)(2) are not met.
- 082705 Section 226.18(d) of Regulation Z requires the inclusion in the finance charge disclosure of certain fees prescribed by law or premiums paid for insurance in lieu of perfecting a security interest, if the conditions as described in Section 226.4(e) are not met.
- 083501 Section 226.18(e) of Regulation Z requires disclosure of the "annual percentage rate," using the term, and a brief description such as "the cost of your credit as a yearly rate".

CODE

NUMBER **TRUTH IN LENDING – CLOSED-END CREDIT**

- 083502 Section 226.18(e) of Regulation Z requires that the annual percentage rate be accurately disclosed, as defined in Section 226.22(a).
- 083901 Section 226.18(f)(1) of Regulation Z requires the following disclosures for variable rate transactions not secured by a consumer's principal dwelling or secured by a principal dwelling with a term of one year or less: (1) circumstances under which the rate may increase, (2) any limitations on the increase, (3) the effect of an increase, and (4) an example of payment terms that could result from an increase.
- 084001 Section 226.18(f)(2) of Regulation Z requires the following disclosures for variable rate transactions secured by the consumer's principal dwelling with a term greater than one year: (1) the fact that transaction contains a variable-rate feature, and (2) a statement that variable-rate disclosures have been provided earlier.
- 084501 Section 226.18(g) of Regulation Z requires that the number, amounts and timing of payments be accurately disclosed.
- 084701 Section 226.18(h) of Regulation Z requires disclosure of the "total of payments," using that term, and a brief description such as "the amount you will have paid when you have made all scheduled payments".
- 084901 Section 226.18(i) of Regulation Z requires the creditor to disclose that an obligation has a demand feature and, as applicable, that disclosures are based on an assumed one-year maturity.
- 085101 Section 226.18(j) of Regulation Z requires in a credit sale, that the creditor disclose the "total sale price," using that term, and a descriptive explanation such as "the total price of your purchase on credit, including your downpayment of \$ ".
- 085301 Section 226.18(k)(1) of Regulation Z requires, when an obligation includes a finance charge computed from time to time on the unpaid principal balance, that the creditor indicate whether or not a penalty may be imposed if the obligation is prepaid in full.

CODE**NUMBER****TRUTH IN LENDING – CLOSED-END CREDIT**

- 085501 Section 226.18(k)(2) of Regulation Z requires, when an obligation includes a finance charge other than that described in Section 226.18(k)(1), that the creditor disclose whether or not the consumer is entitled to a rebate of any finance charge if the obligation is prepaid in full.
- 085701 Section 226.18(l) of Regulation Z requires disclosure of any dollar or percentage charge that may be imposed before maturity due to a late payment, other than a deferral or extension charge.
- 085901 Section 226.18(m) of Regulation Z requires disclosure of the fact that a creditor has or will acquire an interest in property purchased as part of the transaction, or in other property identified by item or type.
- 086101 Section 226.18(q) of Regulation Z requires, in a residential mortgage transaction for initial construction or acquisition, that the bank provide a statement as to whether or not a subsequent purchaser of the dwelling may assume the obligation on its original terms.
- 086301 Section 226.18(r) of Regulation Z requires that, if a creditor requires a consumer to maintain a certain type of deposit (see footnote 45) as a condition of a specific transaction, a statement be made that the annual percentage rate does not reflect the effect of the required deposit.
- Section 226.19 – Certain Residential Mortgage Transactions
- 087101 Section 226.19(a)(1) of Regulation Z requires, in a residential mortgage transaction subject to RESPA, that the creditor make good faith estimates of the disclosures required by Section 226.18 before consummation or deliver or mail them not later than three business days after receipt of the consumer's written application, whichever is earlier.
- 087501 Section 226.19(a)(2) of Regulation Z requires the creditor to make redisclosure when the annual percentage rate varies from the disclosed rate by more than 1/8 of 1 percentage point in a regular transaction or more than 1/4 of 1 percentage point in an irregular transaction no later than consummation or settlement.

CODE**NUMBER****TRUTH IN LENDING – CLOSED-END CREDIT**

087601 Section 226.19(b)(1) of Regulation Z requires for variable-rate transactions secured by the consumer's principal dwelling with a term greater than one year that the booklet titled Consumer Handbook on Adjustable Rate Mortgages or a suitable substitute be provided with the application or before the consumer pays a nonrefundable fee, whichever is earlier.

087701 Section 226.19(b)(2) of Regulation Z requires for variable-rate transactions secured by the consumer's principal dwelling with a term greater than one year that the creditor provide the following disclosures for each such loan program in which the customer expresses an interest at the time an application form is provided or before the customer pays a nonrefundable fee, whichever is earlier: (1) the fact that interest rate, payment or term can change; (2) the index or formula used and its source; (3) an explanation of how interest rate and payment will be determined and how index adjusted; (4) a statement that consumer should ask about current margin value and interest rate; (5) the fact that interest rate will be discounted, and statement that consumer should ask about the amount of discount; (6) the frequency of interest rate and payment changes; (7) any rules relating to changes in index, interest rate, payment amount and loan balance with explanation; (8) a historical example based on \$10,000 loan amount; (9) an explanation of how consumer may calculate payments for the loan using the historical example; (10) the maximum interest rate and payment using historical example; (11) the fact that the loan program contains a demand feature; (12) information on notices of adjustments and their timing; and (13) a statement that disclosure forms are available for other variable-rate programs.

Section 226.20 – Subsequent Disclosure Requirements

088101 Section 226.20(a) of Regulation Z requires the creditor to make disclosures when a refinancing, as defined in this section, occurs.

088301 Section 226.20(b) of Regulation Z requires the creditor to make disclosures when an existing residential mortgage loan is assumed, before assumption occurs.

CODE**NUMBER****TRUTH IN LENDING – CLOSED-END CREDIT**

088401 Section 226.20(c) of Regulation Z requires for variable-rate transactions secured by the consumer's principal dwelling with a term greater than one year that the following disclosures must be provided at least once each year during which an interest rate adjustment is made without a payment change, and at least 25, but not more than 120, calendar days before a payment at a new level is due: (1) the current and prior interest rates, (2) the index values used for the current and prior interest rates, (3) the extent that any increase in the interest rate has been foregone, (4) the contractual effects of the adjustment including new payment and loan balance, and (5) the payment, if different from the payment referred to in item (4), that would be required to fully amortize the loan at the new interest rate.

Section 226.23 – Right of Rescission

089101 Section 226.23(a)(3) of Regulation Z prohibits the creditor from refusing to allow a consumer to rescind a transaction before midnight of the third business day following consummation of a rescindable transaction.

089301 Section 226.23(b) of Regulation Z requires the creditor to furnish each consumer entitled to rescind with two copies of the notice on a separate document which identifies the transaction and clearly makes the disclosures required by this section.

089501 Section 226.23(c) of Regulation Z prohibits the disbursement of funds in a rescindable transaction before expiration of the rescission period.

089701 Section 226.23(e) of Regulation Z prohibits the use of printed forms for waiver of the right to rescind.

Section 226.24 – Advertising

090101 Section 226.24(a) of Regulation Z requires that, if an advertisement states specific credit terms, it shall state only those terms that actually are or will be arranged or offered by the creditor.

090301 Section 226.24(b) of Regulation Z requires that, if an advertisement states a finance charge rate, it shall state the rate as an "annual percentage rate," using that term.

CODE**NUMBER****TRUTH IN LENDING – CLOSED-END CREDIT**

090501

Section 226.24(c)(1) of Regulation Z prohibits the advertisement of the credit terms listed in this section, without full disclosure of the additional information required by paragraph (c)(2).

<u>CODE NUMBER</u>	<u>OTHER CREDIT</u>
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TIL Subpart D – Miscellaneous

090901	Section 226.25(a) of Regulation Z requires the creditor to maintain evidence of compliance for two years after the date disclosures are required.
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Section 226.26 – Use of Annual Percentage Rate in Oral Disclosure

091501	Section 226.26(a) of Regulation Z requires, in an oral response to a consumer's inquiry about the cost of open-end credit, that the creditor state rates as required by this section.
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091701	Section 226.26(b) of Regulation Z requires, in an oral response to a consumer's inquiry about the cost of closed-end credit, that the creditor state rates as required by this section.
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Section 226.30 – Limitation on Rates

093001	Section 226.30 of Regulation Z requires the creditor to disclose the maximum interest rate that may be imposed during the term of an obligation. (This includes variable-rate obligations which are either closed or open-end credit.)
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TIL Reimbursable Violations

099001	Section 108(e)(1) of the Truth in Lending Act requires the FDIC to order creditors to make monetary adjustments to the accounts of consumers in cases where the annual percentage rate has been understated by more than the allowed tolerance.
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099002	Section 108(e)(1) of the Truth in Lending Act requires the FDIC to order creditors to make monetary adjustments to the accounts of consumers in cases where the finance charge has been understated by more than the allowed tolerance.
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099201	Section 108(e)(2)(c) of the Truth in Lending Act provides that if a disclosure error involved a total failure to disclose the annual percentage rate the FDIC may order the creditor to make an equitable adjustment to the account of the affected consumer.
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CODE**NUMBER****CONSUMER LEASING**

- 102301 Section 213.4 of Regulation M requires lessors to make required disclosures clearly, conspicuously and in meaningful sequence, together on the instrument evidencing the lease or on a separate statement which identifies the lease transaction. The disclosures must be made on a dated written statement which identifies the lessor and the lessee, and the lessor is required to provide the lessee with a copy of the disclosure statement.
- 103101 Section 213.4(g) of Regulation M requires the lessor to make the required applicable disclosures.
- 103401 Section 213.5 of Regulation M requires that if an advertisement for consumer leasing states specific leasing terms, the advertisement shall state only terms that actually are or will be arranged or offered by the lessor and that such advertisement shall contain additional necessary prescribed disclosures.

CODE**NUMBER****FAIR CREDIT REPORTING**

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|--------|--|
| 110101 | Section 604 of the Fair Credit Reporting Act requires a consumer reporting agency to adhere to the provisions of the Act. |
| 110401 | Section 606 of the Fair Credit Reporting Act requires the user of an investigative consumer report to disclose in writing to the consumer that an investigative consumer report may be made and that the consumer has a right to request additional disclosures as provided under the Act. This disclosure is required to be made in writing within five days after the date on which the request for such disclosure was received from the consumer or such report was first requested. |
| 110701 | Section 607 of the Fair Credit Reporting Act requires a consumer reporting agency to exercise reasonable procedures in the safeguarding and disclosure of information and to furnish the required certification within the provisions of the Act. |
| 111301 | Section 615(a) of the Fair Credit Reporting Act requires the user of a consumer report to advise a customer, when credit is denied or the cost is increased based upon information obtained from a consumer report, that the report contributed to the denial or increased cost. |
| 111302 | Section 615(a) of the Fair Credit Reporting Act requires the user of a consumer report to provide the name and address of the reporting agency when credit is denied or the cost increased based upon information obtained from the consumer report. |
| 111901 | Section 615(b) of the Fair Credit Reporting Act requires, when credit is denied or the cost increased based on third-party information, that the creditor inform the customer of his/her right to know the nature of the information. |

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 130101 Section 3500.6(a) of Regulation X of the Department of Housing and Urban Development requires the lender (unless a mortgage broker is used) to provide a copy of the special information booklet by delivery or mail within three business days after the application is received or prepared to one of the applicants (unless the application is for a refinancing of the borrower's property).
- 130301 Section 3500.7(a) of Regulation X of the Department of Housing and Urban Development requires the lender to provide the good faith estimate to all applicants by delivery or mail not later than three business days after the application is received or prepared. (If mortgage broker is the exclusive agent of the lender, either shall provide the good faith estimate.)
- 130601 Section 3500.7(c) of Regulation X of the Department of Housing and Urban Development requires that the good faith estimates will consist of estimated charges that will be listed on Section L of HUD-1 or HUD-1A and that the borrower will normally pay or incur based on common practice in the locality of the mortgaged property and will bear a reasonable relationship to the charges a borrower is likely to be required to pay at settlement.
- 130901 Section 3500.7(d) of Regulation X of the Department of Housing and Urban Development states that a suggested good faith estimate form is set forth in Appendix C and is in compliance with the Act except for any additional requirements of paragraph (e) of this section.
- 131201 Section 3500.7(e)(1)(i) of Regulation X of the Department of Housing and Urban Development requires the lender to clearly indicate which estimated charge is to be imposed by each designated provider when a lender requires that a particular provider be used and the borrower is required to pay for any portion of the cost.
- 131501 Section 3500.7(e)(1)(ii) of Regulation X of the Department of Housing and Urban Development requires the lender to give the name, address and telephone number of each lender-designated provider.
- 131801 Section 3500.7(e)(1)(iii) of Regulation X of the Department of Housing and Urban Development requires the lender to describe the nature of any relationship between each provider and the lender.

CODE

NUMBER **REAL ESTATE SETTLEMENT PROCEDURES**

- 132101 Section 3500.8(a) of Regulation X of the Department of Housing and Urban Development requires that the settlement agent shall use the HUD-1 settlement statement in every settlement involving a federally-related mortgage loan. The HUD-1A form may be used for transactions in which there is a borrower and no seller, such as refinancing loans and subordinate lien loans.
- 132401 Section 3500.8(b) of Regulation X of the Department of Housing and Urban Development requires the settlement agent to complete the HUD-1 or HUD-1A in accordance with the instruction set forth in Appendix A.
- 132701 Section 3500.10(a) of Regulation X of the Department of Housing and Urban Development requires the settlement agent to provide the HUD-1 or HUD-1A to the borrower for inspection, upon request, during the business day immediately preceding the day of settlement.
- 133001 Section 3500.10(b), (c) and (d) of Regulation X of the Department of Housing and Urban Development requires the settlement agent to provide the HUD-1 or HUD-1A to the borrower and the seller or their agent at or before settlement, unless waived by the borrower.
- 133301 Section 3500.10(e) of Regulation X of the Department of Housing and Urban Development requires retention of the HUD-1 or HUD-1A settlement statement and related documents for five years after the date of settlement unless the lender disposes of its interest in the mortgage and does not service the mortgage.
- 133601 Section 3500.12 of Regulation X of the Department of Housing and Urban Development prohibits the imposition of a fee for the preparation of the HUD-1 or the HUD-1A settlement statements, escrow account statements required pursuant to Section 10 of RESPA, or Truth in Lending disclosure statement.
- 133901 Section 3500.14 of Regulation X of the Department of Housing and Urban Development prohibits acceptance of kickbacks, unearned fees or other thing of value as part of a real estate settlement service.

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 134201 Section 3500.15(b)(1) of Regulation X of the Department of Housing and Urban Development states that a controlled business arrangement is not a violation of Section 8 of RESPA and of Section 3500.14 if the conditions set forth in this section are satisfied. The person making each referral has provided to each person whose business is referred a written disclosure, in the format of the Controlled Business Arrangement Disclosure Statement set forth in Appendix D. The disclosures must be provided on a separate piece of paper no later than the time of each referral or, if the lender requires use of a particular provider, the time of loan application except for the prescribed exemptions.
- 134501 Section 3500.15(b)(2) of Regulation X of the Department of Housing and Urban Development states that a controlled business arrangement is not a violation of Section 8 of RESPA and of Section 3500.14 if the conditions set forth in this section are satisfied. No person making a referral has required any person to use any particular provider of settlement services or business incident thereto, except for the exclusions listed.
- 134801 Section 3500.15(b)(3) of Regulation X of the Department of Housing and Urban Development states that a controlled business arrangement is not a violation of Section 8 of RESPA and of Section 3500.14 if the conditions set forth in this section are satisfied. The only thing of value that is received from the arrangement other than payments listed in Section 3500.14(g) is a return on an ownership interest or franchise relationship as defined in the section.
- 135101 Section 3500.15(d) of Regulation X of the Department of Housing and Urban Development requires that any documents provided pursuant to this section shall be retained for five (5) years after the date of execution.
- 135401 Section 3500.17(c)(1)(i) of Regulation X of the Department of Housing and Urban Development limits the amount the lender may require a borrower at settlement to deposit into any escrow account to an amount sufficient to pay the charges respecting the mortgaged property, such as taxes and insurance, which are attributed to the period from the date such payment(s) were paid until the initial payment date.

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 135701 Section 3500.17(c)(1)(ii) of Regulation X of the Department of Housing and Urban Development limits the amount the lender may require a borrower to deposit monthly into any escrow account to a sum equal to one-twelfth of the total annual escrow payments which the servicer reasonably anticipates paying from the account.
- 136001 Section 3500.17(c)(2) of Regulation X of the Department of Housing and Urban Development requires the servicer to conduct an escrow account analysis to determine the amount the borrower shall deposit into an escrow account before establishing the account.
- 136301 Section 3500.17(c)(3) of Regulation X of the Department of Housing and Urban Development requires the servicer to conduct an escrow account analysis at the completion of the escrow account computation year.
- 136302 Section 3500.17(c)(3) of Regulation X of the Department of Housing and Urban Development requires the servicer to make adjustments for surpluses, shortages, or deficiencies to a borrower's escrow account in accordance with the escrow account analysis.
- 136303 Section 3500.17(c)(3) of Regulation X of the Department of Housing and Urban Development requires the servicer to prepare and submit an annual escrow account statement to the borrower.
- 136601 Section 3500.17(c)(4) of Regulation X of the Department of Housing and Urban Development requires the servicer to use an acceptable accounting method in conducting an escrow account analysis.
- 136901 Section 3500.17(c)(5) of Regulation X of the Department of Housing and Urban Development limits the cushion to one-sixth of the estimated annual disbursements from the escrow account using aggregate analysis accounting for a post-rule account. The cushion may not exceed the total of one-sixth of the estimated annual disbursements for each escrow account item using single-item analysis accounting for pre-rule accounts.

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 137201 Section 3500.17(e)(1) of Regulation X of the Department of Housing and Urban Development requires the new servicer to provide the borrower with an initial escrow account statement within 60 days if either the monthly payment amount or the accounting method used is changed.
- 137501 Section 3500.17(f)(2)(i) of Regulation X of the Department of Housing and Urban Development requires the servicer to refund any surplus greater than or equal to 50 dollars within 30 days from the date of an escrow account analysis.
- 137801 Section 3500.17(f)(5) of Regulation X of the Department of Housing and Urban Development requires the servicer to notify the borrower at least once during the escrow account computation year of any shortage or deficiency in the escrow account.
- 138101 Section 3500.17(g)(1) of Regulation X of the Department of Housing and Urban Development requires the servicer to provide an initial escrow account statement at or within 45 calendar days of settlement.
- 138401 Section 3500.17(g)(1)(i) of Regulation X of the Department of Housing and Urban Development requires the initial escrow account statement to include the amount of the borrower's monthly mortgage payment and the portion of the monthly payment going into the escrow account.
- 138402 Section 3500.17(g)(1)(i) of Regulation X of the Department of Housing and Urban Development requires the initial escrow account statement to include an itemization of estimated taxes, insurance premiums, and other charges that the servicer reasonably anticipates to be paid from the escrow account during the account computation year.
- 138701 Section 3500.17(g)(2) of Regulation X of the Department of Housing and Urban Development requires the servicer to provide an initial escrow account statement, for escrow accounts established after settlement, within 45 calendar days from the date the escrow account is established.
- 139001 Section 3500.17(h)(1) of Regulation X of the Department of Housing and Urban Development requires the servicer to format and complete the initial escrow account statement as set forth in Appendix G of this part.

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 139301 Section 3500.17(i) of Regulation X of the Department of Housing and Urban Development requires the servicer to submit an annual escrow account statement to the borrower within 30 days of the completion of the escrow account computation year.
- 139302 Section 3500.17(i) of Regulation X of the Department of Housing and Urban Development requires the servicer to provide the borrower with the previous year's projection or initial escrow account statement.
- 139601 Section 3500.17(i)(1) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include an account history, reflecting the activity in the escrow account during the escrow account computation year and a projection of the activity in the account for the next year.
- 139901 Section 3500.17(i)(1)(i) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include the amount of the borrower's current monthly mortgage payment and the portion of the monthly payment going into the escrow account.
- 140301 Section 3500.17(i)(1)(ii) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include the amount of the past year's monthly mortgage payment and the portion of the monthly payment that went into the escrow account.
- 140601 Section 3500.17(i)(1)(iii) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include the total amount paid into the escrow account during the past computation year.
- 140901 Section 3500.17(i)(1)(iv) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include the total amount paid out of the escrow account during the past computation year for taxes, insurance premiums, and other charges.
- 141201 Section 3500.17(i)(1)(v) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include the balance in the escrow account at the end of the period.

CODE NUMBER	<u>REAL ESTATE SETTLEMENT PROCEDURES</u>
141501	Section 3500.17(i)(1)(vi) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include an explanation of how any surplus is being handled by the servicer.
141801	Section 3500.17(i)(1)(vii) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include an explanation of how any shortage or deficiency is to be paid by the borrower.
142101	Section 3500.17(i)(1)(viii) of Regulation X of the Department of Housing and Urban Development requires the annual escrow account statement to include the reason(s) why the estimated low monthly balance was not reached, if applicable.
142401	Section 3500.17(i)(4)(i) of Regulation X of the Department of Housing and Urban Development requires the servicer to deliver a short year statement, if applicable, to the borrower within 60 days from the end of the short year.
142701	Section 3500.17(i)(4)(ii) of Regulation X of the Department of Housing and Urban Development requires the transferor servicer to deliver a short year statement to the borrower within 60 days from the effective date of transfer.
143001	Section 3500.17(i)(4)(iii) of Regulation X of the Department of Housing and Urban Development requires the servicer to deliver a short year statement to the borrower within 60 days after receiving the pay-off funds when a borrower pays off a mortgage loan during the escrow account computation year.
143301	Section 3500.17(k) of Regulation X of the Department of Housing and Urban Development provides that the servicer shall pay the disbursements from an escrow account in a timely manner so long as the borrower's payment is not more than 30 days overdue. In calculating timely disbursements, the servicer shall use a date on or before the earlier of the deadline to take advantage of discounts, if available, or the deadline to avoid a penalty.
143601	Section 3500.17(l)(1) of Regulation X of the Department of Housing and Urban Development requires the servicer to keep records reflecting the servicer's handling of each borrower's escrow account.

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 143901 Section 3500.17(l)(2) of Regulation X of the Department of Housing and Urban Development requires the servicer to keep records for a period of at least five years after the servicer last serviced the escrow account.
- 144201 Section 3500.21(b) of Regulation X of the Department of Housing and Urban Development requires the lender to deliver the disclosure statement relating to mortgage servicing to applicant(s) for federally-related mortgage loans and for refinancings of mortgage loans subject to RESPA at the time of application or, if the application is not completed in person, to mail the disclosure by first-class postage within 3-business days of receipt.
- 144501 Section 3500.21(b)(3)(i) of Regulation X of the Department of Housing and Urban Development requires that the disclosure statement provide information on whether the servicing of the loan may be transferred, sold or assigned at any time it is outstanding.
- 144801 Section 3500.21(b)(3)(ii) of Regulation X of the Department of Housing and Urban Development requires that the disclosure statement provide the percentage, rounded to the nearest quartile (25%), of mortgage loans the lender originated for which the loan servicing has been transferred, sold or assigned for the most recent 3 calendar years (for 1992, the percentage should be based on loans transferred in 1990 and 1991). (Percentages less than 12.5% may be indicated as nominal or the actual rate may be disclosed.)
- 145101 Section 3500.21(b)(3)(ii)(A) of Regulation X of the Department of Housing and Urban Development requires that the percentage disclosure information shall be updated no later than March 31 of the next calendar year.
- 145401 Section 3500.21(b)(3)(ii)(B) of Regulation X of the Department of Housing and Urban Development requires the lender to indicate whether or not the percentages include sales or transfers to affiliates or subsidiaries.
- 145701 Section 3500.21(b)(3)(iii) of Regulation X of the Department of Housing and Urban Development requires that the disclosure statement provide an estimate of the percentage (expressed as one of four ranges between 0 and 25%, 26 and 50%, 51 and 75%, or 76 and 100%) of loans the lender may assign during the 12-month period beginning on the date the loan is originated.

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 145702 Section 3500.21(b)(3)(iii) of Regulation X of the Department of Housing and Urban Development requires that the estimated percentage be calculated by dividing the number of loans for which servicing may be transferred by the total number of loans expected to be originated.
- 146001 Section 3500.21(b)(3)(iii)(B) of Regulation X of the Department of Housing and Urban Development requires the lender to indicate whether or not the estimated percentage includes any sales or transfers to affiliates or subsidiaries.
- 146301 Section 3500.21(b)(3)(v) of Regulation X of the Department of Housing and Urban Development requires the Servicing Disclosure Statement to contain a written acknowledgment stating that the applicant (and co-applicant, if any) has/have read and understand(s) the disclosure. This acknowledgment shall be evidenced by the signature of the applicant and co-applicant, if any.
- 146601 Section 3500.21(c) of Regulation X of the Department of Housing and Urban Development requires that a disclosure statement signed by each applicant is a required part of any application package and must be received by the lender before the loan is closed.
- 146602 Section 3500.21(c) of Regulation X of the Department of Housing and Urban Development requires the lender, if there is no face-to-face interview, to deliver separate copies of the disclosure statement to each co-applicant if they indicate different addresses on the application.
- 146901 Section 3500.21(d)(2)(A) and (B) of Regulation X of the Department of Housing and Urban Development requires that the transferor notice be made to the borrower not less than 15 days before the transfer, and the transferee notice be made to the borrower not more than 15 days after the transfer. (Both notices may be combined if all requirements are met. In certain cases, the transferor or transferee may make the notice not more than 30 days after the transfer.)

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 147201 Section 3500.21(d)(3) of Regulation X of the Department of Housing and Urban Development requires that the notice contain the following information:
- effective date of the transfer;
 - name, address, and toll-free or collect telephone number of the new servicer;
 - toll-free or collect telephone number for an individual with the present servicer to answer inquiries relating to the transfer of servicing;
 - toll-free or collect telephone number for an individual with the new servicer to answer inquiries relating to transfer of servicing;
 - date on which the present servicer stops accepting payments on the loan and the date the new servicer begins accepting payments on the loan, (these dates shall be either the same or consecutive days);
 - information on the effect the transfer may have on the terms or continuance of optional insurance and any action the borrower must take to maintain coverage;
 - a statement that the transfer of servicing does not affect any terms or conditions of the security instruments other than those directly related to servicing the loan.
- 147501 Section 3500.21(d)(5) of Regulation X of the Department of Housing and Urban Development requires that during the 60-day period starting on the transfer date, a late fee may not be imposed and no payment may be treated as late which is received by the present servicer before the due date rather than by the new servicer who should have received the payment.
- 147801 Section 3500.21(e) of Regulation X of the Department of Housing and Urban Development requires the servicer to provide a written acknowledgment within 20 business days of receipt of a borrower's inquiry relating to the servicing of a RESPA mortgage loan or refinancing unless the action requested is taken within that period and the borrower is properly notified in accordance with paragraph (e)(3) of this section.

CODE**NUMBER****REAL ESTATE SETTLEMENT PROCEDURES**

- 148101 Section 3500.21(e)(3)(i) and (ii) of Regulation X of the Department of Housing and Urban Development requires within 60-business days after the receipt of a qualified written request that the servicer:
- make appropriate corrections in the account of the borrower and provide written notification of the correction, including in the notice the name and telephone number of a representative of the servicer who can provide assistance; or
 - state the reasons the account is correct and include the name and telephone number of a representative of the servicer who can provide assistance; or
 - explain why the information requested is unavailable or cannot be obtained by the servicer and include the name and telephone number of a representative of the servicer who can provide assistance.
- 148401 Section 3500.21(e)(4) of Regulation X of the Department of Housing and Urban Development requires that, during the 60-business day period beginning on the date the servicer receives a qualified written request from the borrower, the servicer may not provide information regarding any overdue payment for this period or referred to in the request to any consumer reporting agency.

March 18, 1996

IMPORTANT

FLOOD INSURANCE REGULATIONS

The following violation descriptions do not reflect amendments made to federal flood insurance statutes by the 1994 Riegle Community Development and Regulatory Improvement Act. The violation descriptions will be revised when the appropriate revisions are made to the implementing flood insurance regulation, Part 339 of the FDIC Rules and Regulations.

CODE**NUMBER****FLOOD INSURANCE**

- 150101 Section 339.3 of FDIC regulations prohibits a financial institution from making, increasing, extending, or renewing a loan secured by improved real estate or a mobile home located in a designated flood hazard area of a community which is participating in the National Flood Insurance Program when the underlying security is not covered by flood insurance.
- 150301 Section 339.5 of FDIC regulations requires the financial institution to maintain sufficient records to indicate the method used by the institution to determine, for all extensions of credit secured by improved real estate or a mobile home, whether the properties are located in a designated flood hazard area.
- 150501 Section 339.6 of FDIC regulations requires a financial institution to furnish a written notice to the borrower when making, increasing, extending, or renewing a loan secured by improved real estate or a mobile home located or to be located in a designated flood hazard area.
- 150502 Section 339.6 of FDIC regulations requires a financial institution to provide the written notices within specified time limits.
- 150503 Section 339.6 of FDIC regulations states a financial institution shall require a borrower to provide, prior to closing, written acknowledgment of receipt of notice of special flood hazard and the availability of federal disaster relief assistance.

<u>CODE NUMBER</u>	<u>TRUTH IN SAVINGS</u>
160101	Section 230.3(a) of Regulation DD requires that disclosures be made clearly and conspicuously, in writing, and in a form the consumer may keep.
160501	Section 230.3(b) of Regulation DD requires that the disclosures reflect the legal obligation of the account agreement between the consumer and the depository institution. (Disclosures may be made in other languages provided they are available in English.)
161501	Section 230.3(d) of Regulation DD requires that disclosures be made to at least one of the consumers of an account held by more than one consumer.
162001	Section 230.3(e) of Regulation DD requires that the annual percentage yield must be disclosed in an oral response to a consumer's inquiry about interest rates payable. The interest rate may also be disclosed but no other rate.
162501	Section 230.3(f) of Regulation DD requires that the annual percentage yield, the annual percentage yield earned, and the interest rate shall be rounded to the nearest one-hundredth of one percentage point (.01%) and expressed to two decimal places, and the annual percentage yield and the annual percentage yield earned must be disclosed with an accuracy of not more than one-twentieth of one percentage point (.05%) above or below the yields determined in accordance with Appendix A.
163001	Section 230.4(a)(1) of Regulation DD requires that the account disclosures must be provided to a consumer before the account is opened or a service is provided, whichever is earlier. If the consumer is not present when the account is opened, the institution shall mail or deliver the account disclosures within 10 business days after the account is opened or a service is provided, whichever is earlier.
163501	Section 230.4(a)(2) of Regulation DD requires that the account disclosures must be provided to a consumer upon request. If the consumer is not present, the account disclosures shall be mailed or delivered within a reasonable period of time.

CODE**NUMBER****TRUTH IN SAVINGS**

- 164001 Section 230.4(b) of Regulation DD requires that account disclosures include the following, as applicable:
- (1) Rate information – annual percentage yield and interest rate, using these terms; information on variable rates as applicable.
 - (2) Compounding and crediting – frequency; effect of closing an account on losing any interest.
 - (3) Balance information – minimum balance requirements; balance computation method; when interest begins to accrue on noncash deposits.
 - (4) Fees – amount (or explanation of how determined) and conditions under which fees may be imposed.
 - (5) Transaction limitations.
 - (6) Features of time accounts – time requirements; early withdrawal penalties; withdrawal of interest prior to maturity; renewal policies.
 - (7) Bonuses – amount or type; when paid; any minimum balance and time requirements to obtain.
- 165001 Section 230.5(a) of Regulation DD requires an advance notice if any changes in the terms required by Section 230.4(b) adversely affect the consumer. The notice shall state the effective date of change and be mailed or delivered at least 30 days before the date of change. Notices are not required for variable-rate changes, changes in check printing fees, and changes in any term for time accounts with maturities of one month or less.
- 165501 Section 230.5(b)(1) of Regulation DD requires that, if maturity of a time account is longer than a month and automatically renewable, a notice must be mailed or delivered at least 30 calendar days before maturity or 20 calendar days before the end of a grace period (if it allows at least five calendar days of grace). If maturity is longer than one year, the disclosures under 230.4(b) and the date the account matures must be provided. If the interest rate and annual percentage yield for the new account are unknown, the notice must state the date these will be determined and a telephone number to obtain this information.

CODE**NUMBER****TRUTH IN SAVINGS**

- 166001 Section 230.5(b)(2) of Regulation DD requires that for time accounts with a maturity of a year or less but longer than a month and the account is automatically renewable, the institution shall provide the disclosures in paragraph (b)(1); or (1) the date the current account matures and the maturity date of the new account; (2) the interest rate and annual percentage yield, if known, (if not known, the date they will be determined and a telephone number to obtain this data must be disclosed); and (3) any difference in the terms of the new account compared to the existing account. The disclosures must be provided at least 30 calendar days before maturity or 20 calendar days before the end of a grace period (if there is at least five calendar days of grace).
- 166501 Section 230.5(c) of Regulation DD requires that for time accounts with a maturity of one month or less and automatically renewable, the institution shall disclose any difference in the terms of the new account, other than a change in interest rate along with the annual percentage yield, and mail or deliver this disclosure within a reasonable time after renewal.
- 167001 Section 230.5(d) of Regulation DD requires for time accounts that mature longer than a year and do not automatically renew that the institution disclose the maturity date and whether interest will be paid after maturity. These disclosures shall be mailed or delivered at least 10 calendar days before maturity of the existing account.
- 167501 Section 230.6(a) of Regulation DD requires that, if a periodic statement is provided, it must disclose: annual percentage yield earned (using this term), amount of interest, fees imposed, and length of statement period.
- 168001 Section 230.6(b) of Regulation DD requires that, if the institution uses the average daily balance method and calculates interest for a period other than the statement period, the institution shall calculate and disclose the annual percentage yield earned and amount of interest earned based on that other period rather than the statement period. The length of period disclosure (required by Section 230.6(a)(4)) should state this period as well as the statement period.
- 168501 Section 230.7(a)(1) of Regulation DD requires that the institution shall calculate interest on the full amount of principal in an account for each day by use of either the daily balance method or the average daily balance method.

CODE**NUMBER****TRUTH IN SAVINGS**

- 169001 Section 230.7(a)(2) of Regulation DD requires that the institution shall use the same method, or one more beneficial to the consumer, to determine any minimum balance required to earn interest as it uses to determine the balance on which interest is calculated.
- 169501 Section 230.7(c) of Regulation DD requires that interest shall begin to accrue not later than the business day on which the institution receives credit for the funds in compliance with Regulation CC. Interest shall accrue until the funds are withdrawn.
- 170101 Section 230.8(a) of Regulation DD prohibits any advertisement which is misleading, inaccurate or misrepresents a deposit contract. Terms, "free" or "no cost" (or similar term) shall not be used if any fee is imposed on the account. The word "profit" shall not be used.
- 170501 Section 230.8(b) of Regulation DD requires that, if an advertisement states a rate of return, the rate must be stated as an "annual percentage yield" using this term. "APY" may be used in addition to the words. The only other rate that may be stated is "interest rate" if not more conspicuous than the annual percentage yield to which it is related.
- 171001 Section 230.8(c) of Regulation DD requires that, with certain exceptions, if the annual percentage yield is stated, the following information to the extent applicable must be stated:
- (1) Variable rates
 - (2) Time annual percentage yield is offered
 - (3) Minimum balance required
 - (4) Minimum opening deposit required
 - (5) Statement on effect of fees
 - (6) Features of time accounts (time requirements and any early withdrawal penalties).

CODE**NUMBER****TRUTH IN SAVINGS**

- 171501 Section 230.8(d) of Regulation DD requires, with certain exceptions, that, if a bonus is advertised, the following disclosures must be made clearly and conspicuously and to the extent applicable:
- (1) Annual percentage yield
 - (2) Time requirement to obtain bonus
 - (3) Minimum balance required to obtain bonus
 - (4) Minimum balance required to open the account if greater than balance needed to obtain bonus
 - (5) When bonus will be provided.
- 172001 Section 230.9(c) of Regulation DD requires an institution to retain evidence of compliance with this regulation for a minimum of two years after the date disclosures are required to be made or action is required to be taken.

CODE**NUMBER****PART 329 – INTEREST ON DEPOSITS**

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| 220101 | Section 329.1(b)(3) of FDIC regulations prohibits the maintenance of NOW accounts by certain for profit corporations, partnerships or associations. |
| 220401 | Section 329.2 of FDIC regulations prohibits payment of interest on demand deposits, as the term is defined in Section 329.1(b) of the regulation. |
| 227801 | Section 329.103(b) of FDIC regulations prohibits the averaging of premium costs. |
| 228001 | Section 329.103(c) of FDIC regulations prohibits the solicitation of funds for deposit on the basis that the financial institution will divide the funds into several accounts for the purpose of enabling the financial institution to pay the depositor more than two premiums within a twelve-month interval. |
| 228101 | Section 329.103(d) of FDIC regulations requires the financial institution to retain sufficient information for examiners to determine that the requirements of this section have been satisfied. |

CODE**NUMBER****FAIR DEBT COLLECTION PRACTICES**

- 240101 Section 804 of the Fair Debt Collection Practices Act requires debt collectors to adhere to prescribed procedures in communicating with any person other than the consumer for the purpose of acquiring location information about the consumer.
- 241101 Section 805 of the Fair Debt Collection Practices Act prescribes certain circumstances under which a debt collector may not communicate with a consumer in connection with the collection of any debt without the prior consent of the consumer or the express permission of a court of competent jurisdiction; prohibits a debt collector from communicating, in connection with the collecting of any debt, with any person other than the consumer, his attorney, a consumer reporting agency, the creditor, the attorney of the creditor, or the attorney of the debt collector, except in the limited manner permitted; and requires a debt collector to cease further communication with a consumer when notified in writing that the consumer refuses to pay a debt or that the consumer wishes the debt collector to cease communication, except for the limited purposes permitted.
- 241601 Section 807 of the Fair Debt Collection Practices Act prohibits a debt collector from using any false, deceptive, or misleading representation or means in connection with the collection of any debt.
- 241901 Section 808 of the Fair Debt Collection Practices Act prohibits a debt collector from using unfair or unconscionable means to collect a debt.
- 242201 Section 809 of the Fair Debt Collection Practices Act requires the debt collector to send the consumer a written notice containing prescribed information within five days after the initial communications with him in connection with the collection of a debt.
- 242501 Section 811(a) of the Fair Debt Collection Practices Act requires a debt collector who brings legal action to follow prescribed guidelines.
- 242801 Section 812(a) of the Fair Debt Collection Practices Act prohibits any person from using certain deceptive forms.

CODE**NUMBER****PRESERVATION OF CONSUMERS' CLAIMS AND DEFENSES**

- 260101 Section 433.2(a) of the Federal Trade Commission's Rule regarding Preservation of Consumers' Claims and Defenses prohibits a seller from taking a consumer credit contract which fails to contain the prescribed notice.
- 260301 Section 433.2(b) of the Federal Trade Commission's Rules regarding Preservation of Consumers' Claims and Defenses prohibits a seller from accepting the proceeds of any purchase money loan, as full or partial payment of a consumer credit contract, unless the consumer credit contract made in connection with such purchase money loan contains the prescribed notice.

**CODE
NUMBER ELECTRONIC FUND TRANSFERS**

- 280101 Section 205.5(a) of Regulation E prohibits a financial institution from issuing an unsolicited, validated access device that is not a renewal of or in substitution for an accepted access device.
- 280301 Section 205.5(b)(2) of Regulation E prohibits a financial institution from distributing an unvalidated access device to a consumer, on an unsolicited basis, without a complete disclosure of the consumer's rights and liabilities that will apply if the access device is validated. The consumer must be informed that the access device is not validated and how to dispose of the device if validation is not desired.
- 280701 Section 205.5(b)(4) of Regulation E prohibits a financial institution from validating an access device without an oral or written request or application for validation from the consumer, or without using reasonable means to verify the consumer's identity.
- 281001 Section 205.6(a) of Regulation E provides that a financial institution may impose liability on a consumer for unauthorized transfers involving the consumer's account only if certain conditions are met.
- 281501 Section 205.6(b) of Regulation E prohibits a financial institution from imposing liability on a consumer in excess of the applicable limitation detailed in the regulation.
- 281701 Section 205.7(a) of Regulation E requires a financial institution to provide a consumer with an initial disclosure statement (within time limits specified) that the consumer may retain at the time the consumer contracts for an electronic fund transfer service or before the first electronic fund transfer involving the consumer's account is made.
- 282101 Section 205.7(a)(1) of Regulation E requires a financial institution to include in the initial disclosure statement a summary of the consumer's liability under Section 205.6, or other applicable law or agreement, for unauthorized electronic fund transfers.

**CODE
NUMBER ELECTRONIC FUND TRANSFERS**

- 282201 Section 205.7(a)(2) of Regulation E requires a financial institution to include in the initial disclosure statement the telephone number and address of the person or office to be notified when the consumer believes that an unauthorized electronic fund transfer has been or may be made.
- 282401 Section 205.7(a)(3) of Regulation E requires a financial institution to include in the initial disclosure statement the financial institution's business days as determined under Section 205.2(d).
- 282601 Section 205.7(a)(4) of Regulation E requires a financial institution to include in the initial disclosure statement the type of electronic fund transfers that the consumer may make and any limitation on the frequency and dollar amount of transfers.
- 282801 Section 205.7(a)(5) of Regulation E requires a financial institution to include in the initial disclosure statement any charges for electronic fund transfers or for the right to make transfers.
- 282901 Section 205.7(a)(6) of Regulation E requires a financial institution to include in the initial disclosure statement a summary of the consumer's right to receive documentation of electronic fund transfers, as provided in Sections 205.9, 205.10(a) and 205.10(d).
- 283101 Section 205.7(a)(7) of Regulation E requires a financial institution to include in the initial disclosure statement a summary of the consumer's right to stop payment of a preauthorized electronic fund transfer and the procedure for initiating a stop-payment order, as provided in Section 205.10(c).
- 283301 Section 205.7(a)(8) of Regulation E requires a financial institution to include in the initial disclosure statement a summary of the financial institution's liability to the consumer for its failure to make or to stop certain transactions under Section 910 of the EFT Act.
- 283401 Section 205.7(a)(9) of Regulation E requires a financial institution to describe in the initial disclosure statement the circumstances under which the institution in the ordinary course of business will disclose information to third parties concerning the consumer's account.

**CODE
NUMBER ELECTRONIC FUND TRANSFERS**

- 283601 Section 205.7(a)(10) of Regulation E requires a financial institution to provide in the initial disclosure statement a notice substantially similar to the notice set forth in this section concerning error resolution procedures and the consumer's rights under them.
- 283901 Section 205.8(a) of Regulation E requires a financial institution to provide a written notice to a consumer at least 21 days before the effective date of any change in a term or condition required to be disclosed under Section 205.7(a) if the change would result in increased charges or liability, fewer types of available services, or stricter limitations on the frequency or dollar amounts of transfers.
- 284201 Section 205.8(b) of Regulation E requires a financial institution to provide a consumer with the error resolution notice set forth in Section 205.7(a)(10) at least once each calendar year or, alternatively, the notice set forth in Section 205.8(b) on or with each periodic statement.
- 284401 Section 205.9(a) of Regulation E requires a financial institution to make available to the consumer a written receipt of an electronic fund transfer at the time the consumer initiates the transfer at an electronic terminal.
- 284501 Section 205.9(a)(1) of Regulation E requires a financial institution to include on a terminal receipt the amount of the electronic fund transfer and, where a financial institution, other than the financial institution holding the consumer's account, owns or operates the terminal and imposes a charge on the consumer for an electronic fund transfer, the amount of the charge must be disclosed on the receipt and on a sign posted on or near the terminal.
- 284901 Section 205.9(a)(2) of Regulation E requires that the calendar date the consumer initiated a transfer be included on the terminal receipt.
- 285101 Section 205.9(a)(3) of Regulation E requires a bank to describe on a terminal receipt the type of transfer and the type of the consumer's account to or from which the funds are transferred, and prohibits the use of codes that are not explained on the receipt to describe the type of transfer or the type of account(s).

CODE**NUMBER****ELECTRONIC FUND TRANSFERS**

- 285401 Section 205.9(a)(4) of Regulation E requires a financial institution to include on a terminal receipt a number or code identifying the consumer, the consumer's account(s) or the access device used for the transfer.
- 285601 Section 205.9(a)(5) of Regulation E requires a financial institution to include on a terminal receipt the location of the terminal at which the transfer was initiated or other identification of the terminal.
- 285901 Section 205.9(b) of Regulation E requires a financial institution to provide a consumer holding an account to or from which electronic fund transfers can be made with a statement for each monthly or shorter cycle in which an electronic fund transfer has occurred, or at least a quarterly statement if no transfer has occurred.
- 286201 Section 205.9(b)(1) of Regulation E requires a financial institution to include on or with a periodic statement the amount of each electronic fund transfer occurring during the cycle, the date each transfer was credited or debited to the consumer's account, the type of each transfer and the type of the consumer's account(s) to or from which funds were transferred, as well as the name of any third party to or from whom funds were transferred.
- 286501 Section 205.9(b)(1)(iv) of Regulation E requires a financial institution, for each transfer initiated by the consumer at an electronic terminal, to include on or with the periodic statement the location or other identification of the terminal that appeared on the receipt.
- 286801 Section 205.9(b)(1)(v) of Regulation E requires a financial institution, for each transfer initiated by the consumer at an electronic terminal which used a code on the receipt to identify a third party to or from whom funds were transferred, to include on or with the periodic statement the code and the name of the third party.
- 287001 Section 205.9(b)(2) of Regulation E requires a financial institution to include on a periodic statement the number(s) of the consumer's account(s) for which the statement is issued.

CODE**NUMBER****ELECTRONIC FUND TRANSFERS**

287101	Section 205.9(b)(3) of Regulation E requires disclosure on the periodic statement of the total amount of any charges, other than a finance charge, assessed against the account during the statement period.
287301	Section 205.9(b)(4) of Regulation E requires a financial institution to include on a periodic statement the balances in a consumer's account(s) at the beginning and at the close of the statement period.
287401	Section 205.9(b)(5) of Regulation E requires a financial institution to include on a periodic statement, preceded by "Direct Inquiries To:" or similar language, the address and telephone number to be used for inquiry or notice of error or, alternatively, to provide the appropriate address and telephone number on the notice of error resolution procedures.
287601	Section 205.9(b)(6) of Regulation E requires, if a financial institution uses the notice procedures set forth in Section 205.10(a)(1)(iii) for preauthorized credits, that the institution include on the periodic statement the telephone number the consumer may call to ascertain whether a preauthorized transfer to the consumer's account has occurred.
287701	Section 205.10(a)(1) of Regulation E requires a financial institution to provide notice, by one of three methods, where a consumer's account is scheduled to be credited by a preauthorized electronic fund transfer from the same payor at least once every 60 days and the payor does not provide positive notice to the consumer that transfer has been initiated.
287901	Section 205.10(a)(2) of Regulation E requires a financial institution to credit to a consumer's account the amount of a preauthorized transfer as of the day the funds for the transfer are received.
288001	Section 205.10(b) of Regulation E allows preauthorized electronic fund transfers from a consumer's account only upon written authorization by the consumer and requires the financial institution to provide a copy of the authorization to the consumer.

**CODE
NUMBER ELECTRONIC FUND TRANSFERS**

- 288301 Section 205.10(c) of Regulation E requires a financial institution to honor a consumer's order to stop payment of a preauthorized electronic fund transfer from the consumer's account when made in a timely manner and in accordance with the conditions prescribed.
- 288501 Section 205.10(d) of Regulation E requires, where a preauthorized electronic fund transfer from a consumer's account varies in amount from the previous transfer relating to the same authorization of the preauthorized amount, that a financial institution provide the consumer written notice of the amount and scheduled date of the transfer at least 10 days before the scheduled transfer.
- 288601 Section 205.11(c) of Regulation E requires a financial institution to promptly investigate and determine whether an error occurred and transmit the results of the investigation and determination to the consumer within 10 business days (20 business days for foreign-initiated and debit card transactions) after receiving notice of an error.
- (Alternatively, provided the financial institution has complied with the conditions specified therein regarding the provisional recrediting of the amount of the alleged error, it may investigate and determine within 45 business days all point-of-sale (90 days for foreign-initiated transfers and all point-of-sale debit card transactions) whether an error occurred and transmit the results of the investigation and determination to the consumer.)
- 288901 Section 205.11(e) of Regulation E requires, where the financial institution determines that an error occurred, that the error be corrected within one business day and that the financial institution notify the consumer of the correction within the 10-business-day or 45-day time limits. (20-business-day and 90-day time limits, for foreign-initiated and all point-of-sale transactions.)
- 289201 Section 205.11(f) of Regulation E requires, when the financial institution determines that no error occurred or that an error occurred in a different manner or amount from that described by the consumer, that the financial institution provide the consumer with a written explanation of its findings within prescribed time limits and include a notice of the consumer's right to request the documents upon which the financial institution relied in making its determination.

CODE**NUMBER****ELECTRONIC FUND TRANSFERS**

- 289501 Section 205.11(f)(2) of Regulation E requires, upon debiting a provisionally recredited amount, that the financial institution notify the consumer of the date and amount of the debiting and the fact that the financial institution will honor checks and drafts payable to third parties and preauthorized transfers from the consumer's account for 5 business days after transmittal of the notice to the extent these payments would have been made if the provisionally recredited funds had not been debited.
- 289801 Section 205.11(f)(3) of Regulation E requires, upon a consumer's request, that the financial institution promptly mail or deliver to the consumer copies of the documents upon which the financial institution relied in making its determination that no error occurred.
- 289901 Section 205.13(c) of Regulation E requires the financial institution to maintain evidence of compliance with the requirements imposed by the EFT Act and Regulation E for at least two years.
- 295001 Section 913 of the Electronic Fund Transfer Act prohibits the conditioning of an extension of consumer credit on repayment by means of preauthorized electronic fund transfers, except as otherwise permitted in the case of automatic repayment of credit extended under certain credit plans or extended to maintain a specified minimum balance in the consumer's account.
- 295002 Section 913 of the Electronic Fund Transfer Act prohibits requiring a consumer to establish an account for receipt of electronic fund transfers with a particular financial institution as a condition of employment or receipt of a government benefit.

<u>CODE NUMBER</u>	<u>EQUAL CREDIT OPPORTUNITY</u>
330101	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of race.
330102	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of color.
330103	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of religion.
330104	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of national origin.
330105	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of sex.
330106	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of marital status.
330107	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of age (providing that the applicant has the capacity to enter into a binding contract).
330108	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of the fact that all or part of the applicant's income derives from any public assistance program.
330109	Section 202.4 of Regulation B prohibits a creditor from discriminating in any aspect of a credit transaction on the basis of the fact that the applicant has in good faith exercised any right under the Consumer Credit Protection Act.
330901	Section 202.5(a) of Regulation B prohibits a creditor from making any oral or written statement, in advertising or otherwise, to applicants or prospective applicants that would discourage, on a prohibited basis, a reasonable person from making or pursuing an application.
331101	Section 202.5(c) of Regulation B prohibits a creditor from requesting information concerning an applicant's spouse except in the limited circumstances permitted.

CODE
NUMBER **EQUAL CREDIT OPPORTUNITY**

- 331301 Section 202.5(d)(1) of Regulation B prohibits a creditor from requesting the marital status of a person applying for individual, unsecured credit, and allows a creditor to use only the terms "married," "unmarried," and "separated" in marital status inquiries.
- 331701 Section 202.5(d)(2) of Regulation B prohibits a creditor from inquiring as to whether any income stated in an application is derived from alimony, child support, or separate maintenance payments unless the creditor appropriately discloses to the applicant that such income need not be revealed if the applicant does not desire the creditor to consider such income in determining the applicant's creditworthiness. An official staff interpretation of Regulation B further states that a creditor may not make a general inquiry about the source of income on an application form without prefacing the request with the disclosure required by this paragraph.
- 332301 Section 202.5(d)(3) prohibits a creditor from requesting the sex of an applicant, except as required for monitoring purposes. An applicant may be requested to designate a courtesy title if the form discloses that such a designation is optional; otherwise, the form must use only terms that are neutral as to sex.
- 332701 Section 202.5(d)(4) of Regulation B prohibits a creditor from requesting information about birth control practices, child-bearing or child-rearing intentions, or childbearing capabilities.
- 332901 Section 202.5(d)(5) of Regulation B prohibits a creditor from requesting the race, color, religion or national origin of an applicant, except as required for monitoring purposes.
- 333001 Section 202.5(e) of Regulation B requires the creditor to take a written application for credit primarily for the purchase or refinancing of a dwelling occupied or to be occupied by the applicant as a principal residence where the extension of credit will be secured by the dwelling.

CODE
NUMBER **EQUAL CREDIT OPPORTUNITY**

- 333301 Section 202.5a (a) of Regulation B requires the creditor to provide a copy of the appraisal report used in connection with an application for credit that is to be secured by a lien on a dwelling. A creditor shall comply through routine delivery or upon request in accordance with this section. The creditor may require the applicant to reimburse the creditor for the cost of the appraisal as provided in Section 701(e) of the Equal Credit Opportunity Act.
- 333501 Section 202.5a(a)(2)(i) of Regulation B requires a creditor that provides appraisal reports upon request shall notify an applicant in writing of the right to receive a copy of the appraisal report. The notice may be given at any time during the application process, but no later than when the creditor provides notice of action taken under Section 202.9 of this part. The notice shall specify that the applicant's request must be in writing, give the creditor's mailing address, and state the time for making the request as provided in this section.
- 333701 Section 202.5a(a)(2)(ii) of Regulation B requires that, if a creditor does not routinely provide appraisal reports, the creditor provide a copy of the appraisal report upon the applicant's written request. The report shall be mailed or delivered promptly (generally within 30 days) after the creditor receives an applicant's request, receives the report, or receives reimbursement from the applicant for the report, whichever is last to occur.
- 334101 Section 202.6(b)(1) of Regulation B prohibits a creditor from using a prohibited basis in evaluating the creditworthiness of applicants.
- 334301 Section 202.6(b)(2)(i) of Regulation B prohibits a creditor from taking into account an applicant's age or that an applicant's income was derived from any public assistance program.
- 334501 Section 202.6(b)(3) of Regulation B prohibits a creditor from using, in evaluating the creditworthiness of an applicant, assumptions or aggregate statistics relating to the likelihood that any group of persons will bear or rear children or will, for that reason, receive diminished or interrupted income in the future.
- 334701 Section 202.6(b)(4) of Regulation B prohibits, in evaluating the creditworthiness of an applicant, taking into account the existence of a telephone listing in the applicant's name.

**CODE
NUMBER EQUAL CREDIT OPPORTUNITY**

- 334901 Section 202.6(b)(5) of Regulation B prohibits a creditor from discounting or excluding income of an applicant or the spouse of the applicant because of a prohibited basis or because the income is derived from part-time employment, or from an annuity, pension, or other retirement benefit, and requires the creditor to consider alimony, child support or separate maintenance payments as income to the extent they are likely to be consistently made.
- 335301 Section 202.6(b)(6) of Regulation B requires a creditor to consider the credit history of accounts which the applicant and spouse are permitted to use or for which both are contractually liable, and to consider information presented by the applicant which tends to indicate that the credit history being considered does not accurately reflect the applicant's creditworthiness. This section further requires the creditor to consider the credit history of an account reported in the name of the applicant's present or former spouse when the applicant can demonstrate that such history accurately reflects the applicant's creditworthiness.
- 335901 Section 202.7(a) of Regulation B prohibits a creditor from refusing to grant credit to a creditworthy applicant on any prohibited basis.
- 336101 Section 202.7(c)(1) of Regulation B prohibits a creditor from terminating, changing the terms, or requiring reapplication on an open-end account because of a change in name or marital status or because the applicant reached a certain age or retired.
- 336401 Section 202.7(d)(1) of Regulation B prohibits a creditor from requiring the signature of an applicant's spouse or other person (other than a joint applicant) on any credit instrument if the applicant qualifies under the creditor's standards of creditworthiness for the amount and terms of the credit requested.
- 336501 Section 202.7(d)(5) of Regulation B prohibits a creditor, when the personal liability of an additional party is necessary to support the extension of credit requested, from requiring that the applicant's spouse be the additional party including as cosigner or guarantor.
- 336601 Section 202.7(d)(6) of Regulation B prohibits a creditor from imposing requirements upon an additional party that the creditor is prohibited from imposing upon an applicant under this section.

**CODE
NUMBER EQUAL CREDIT OPPORTUNITY**

- 336701 Section 202.7(e) of Regulation B prohibits a creditor from refusing to extend credit because credit life, health, accident, or disability insurance is not available on the basis of the applicant's age.
- 336901 Section 202.9(a)(1) of Regulation B requires a creditor to notify an applicant of action taken on a credit application within prescribed time limits.
- 337201 Section 202.9(a)(2) of Regulation B requires a creditor to provide an applicant against whom adverse action is taken a written notice of such action that includes disclosure of the name and address of the appropriate Regional Office of the Federal Deposit Insurance Corporation.
- 337202 Section 202.9(a)(2) of Regulation B requires a creditor to provide in writing to applicants against whom adverse action is taken a written notice of such action that includes a statement of the provisions of Section 701(a) of the Equal Credit Opportunity Act in accordance with Section 202.9(b)(1).
- 337401 Section 202.9(a)(2)(i) and (ii) of Regulation B requires a creditor to provide an applicant, against whom adverse action is taken, a written notice of such action that includes a statement of specific reasons for adverse action or a disclosure of the applicant's right to request a statement of specific reasons within 60 days.
- 337501 Section 202.9(a)(3)(i) of Regulation B requires a creditor to notify certain business credit applicants of action taken on a credit application. A creditor must comply with paragraphs (a)(1) and (2) of this section with regard to a business with gross revenues of \$1MM or less in its preceding fiscal year except that the statement of action may be given orally or in writing, and disclosures of the applicant's right to a statement of reasons may, if certain conditions are met, be given at the time of the application.
- 337601 Section 202.9(a)(3)(ii) of Regulation B requires a creditor to notify certain business credit applicants of action taken on a credit application. With regard to a business with gross revenues in excess of \$1MM in its preceding fiscal year, a creditor must notify the applicant, orally or in writing, within a reasonable time of the action taken, and provide a written statement of reasons for adverse action and the ECOA notice if requested in writing by the applicant within 60 days of being notified of the adverse action.

CODE
NUMBER **EQUAL CREDIT OPPORTUNITY**

- 337701 Section 202.9(b)(2) of Regulation B requires that the statement of reasons for adverse action required by Section 202.9(a)(2)(i) must be specific and indicate the principal reason(s) for adverse action. The specific reasons disclosed must relate to and accurately describe the factors actually considered or scored by the creditor.
- 337801 Section 202.9(c) of Regulation B requires a creditor within 30 days of receipt of an incomplete application to either notify an applicant of action taken in accordance with Section 202.9(a) or request the information necessary to complete the application.
- 337901 Section 202.9(g) of Regulation B requires that when an application is made on behalf of an applicant to more than one creditor and no credit is offered, or if the applicant does not expressly accept or use any credit offered, each creditor taking adverse action must comply with this section, directly or through a third party. A notice given by a third party shall disclose the identification of each creditor on whose behalf the adverse action notice is given.
- 338101 Section 202.10(a)(1) of Regulation B requires the creditor to designate accounts to reflect the participation of both spouses if the applicant's spouse is permitted to use or is contractually liable on the account (other than as a guarantor, surety, endorser, or similar party).
- 338401 Section 202.10(a)(2) of Regulation B requires the creditor to designate accounts to reflect participation by both spouses within 90 days after receiving a written request to do so from one of the spouses.
- 338501 Section 202.10(b) of Regulation B requires a creditor to furnish credit information on an account to a consumer reporting agency in a manner that will enable the agency to provide access to the information in the name of either participating spouse.
- 338701 Section 202.10(c) of Regulation B requires a creditor to furnish credit information in response to an inquiry only in the name of the spouse about whom the information was requested.

**CODE
NUMBER EQUAL CREDIT OPPORTUNITY**

- 339001 Section 202.11(c) of Regulation B states, if married applicants voluntarily apply for and obtain individual accounts with the same creditor, that the aggregating or otherwise combining of such accounts for the purpose of determining permissible finance charges or permissible loan ceilings under a federal or state law is prohibited.
- 339101 Section 202.12(b)(1) of Regulation B requires a creditor to retain certain records for 25 months (12 months for business credit) after the date a creditor notifies an applicant of action taken on or incompleteness of the application.
- 339501 Section 202.12(b)(2) of Regulation B requires a creditor to retain certain records for 25 months (12 months for business credit) after the date a creditor notifies an applicant of adverse action taken on an existing account.
- 339601 Section 202.12(b)(3) of Regulation B requires a creditor to retain certain records for 25 months (12 months for business credit) after the creditor receives an application not covered by the notification requirements of Section 202.9.
- 339701 Section 202.12(b)(5) of Regulation B requires that, with regard to a business with gross revenues in excess of \$1MM and certain other business credit applications, a creditor retain certain records for 60 days after notification of action taken unless a written request has been received by the creditor for the reasons for adverse action or for the records to be retained, then the records must be retained for 12 months.

CODE**NUMBER****FAIR HOUSING**

- 352201 Section 338.3(a) of FDIC regulations requires banks to include the Equal Housing Lender logotype and legend in written advertisement and the "Equal Housing Lender" statement in oral advertisements.
- 352801 Section 338.3(b) of FDIC regulations prohibits the use of words, symbols, models or other forms of communication in advertisements which express, imply or suggest a discriminatory preference or policy of exclusion in violation of the provision of the Fair Housing Act or the Equal Credit Opportunity Act.
- 353101 Section 338.4 of FDIC regulations requires banks to display the Equal Housing Lender Poster, which conforms to size and text specifications, in lobby areas where deposits are received or loans covered by the Act are made.
- 353701 Section 338.7(a)(1)(i) of FDIC regulations requires a bank which has no office in a PMSA or MSA or which has total assets as of December 31 of the preceding calendar year of \$10 million or less, to request and retain prescribed data on home purchase loan applications (including refinancings).
- 354001 Section 338.7(a)(1)(ii) of FDIC regulations prohibits a bank from engaging in any activity which discourages an applicant from providing monitoring information prescribed in Section 338.7(a)(1)(i). This section requires the bank to attempt to collect this information during the initial contact with the applicant and requires the bank to note or have the applicant note on the form used for recording the information the fact that he or she refuses to provide the requested information. This section further requires the bank to note the race and sex of an applicant on the basis of visual observation or surname when such information is not voluntarily furnished.
- 354901 Section 338.7(a)(2)(i) of FDIC regulations requires a bank which has an office in a PMSA or MSA and which had total assets exceeding \$10 million as of December 31 of the preceding calendar year to request and retain prescribed data on home purchase loan applications (including refinancings).
- 355101 Section 338.7(a)(2)(ii) of FDIC regulations requires a bank to maintain additional data on applications for home loans including the other characteristics of the applicants, the subject property, and the loan request.

CODE**NUMBER****FAIR HOUSING**

- 356101 Section 338.7(a)(2)(iii) of FDIC regulations requires a bank to note or have the applicant note the fact that he or she refuses to provide requested monitoring information on the form used for recording the information and requires the bank to note the race and sex of the applicant on the basis of visual observation or surname when such information is not voluntarily furnished. This section further prohibits a bank from engaging in any activity which discourages an applicant from providing monitoring information and requires the bank to note in the application file the reason for any failure to obtain any part of the information requested under Section 338.7(a)(2)(ii).
- 357901 Section 338.7(b) of FDIC regulations requires a bank to advise an applicant of the purpose of requesting monitoring information and that the FDIC encourages the applicant to provide the information requested.
- 358401 Sections 338.7(c) and 338.8(d) of FDIC regulations require a bank to retain Fair Housing records and completed registers for 25 months.
- 358601 Section 338.8(a) of FDIC regulations requires a bank which has an office in a PMSA or MSA and had total assets exceeding \$10 million as of December 31 of the preceding calendar year to collect data on applications for, and originations and purchases of, home purchase loans and home improvement loans in the format prescribed in Appendix A of this part. Each entry on the register must be traceable to a relevant application file and identify the bank office where the application was accepted.
- 358701 Section 338.8(c) of FDIC regulations requires a bank to enter the required information on the register within 30 calendar days after the application is finally disposed of (that is, application is denied or withdrawn, or loan goes to closing).
- 358801 Section 338.9 of FDIC regulations requires a bank which refers any applicants to a controlled entity and which purchases any home loans originated by the controlled entity to require the controlled entity to enter into a written agreement with the bank. The written agreement shall provide that the controlled entity shall comply with the requirements of Part 338.

CODE**NUMBER****FAIR HOUSING**

- 358901 Section 100.110(b) of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions (as defined under Section 100.115) to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of race.
- 358902 Section 100.110(b) of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions (as defined under Section 100.115) to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of color.
- 358903 Section 100.110(b) of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions (as defined under Section 100.115) to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of religion.
- 358904 Section 100.110(b) of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions (as defined under Section 100.115) to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of sex.
- 358905 Section 100.110(b) of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions (as defined under Section 100.115) to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of handicap.
- 358906 Section 100.110(b) of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions (as defined under Section 100.115) to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of familial status.

CODE**NUMBER****FAIR HOUSING**

- 358907 Section 100.110(b) of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions (as defined under Section 100.115) to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of national origin.
- 359001 Section 100.120 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions to discriminate against any person by failing or refusing to provide to any person, information regarding the availability of loans or other financial assistance, application requirements, procedures or standards for the review and approval of loans or financial assistance, or providing information which is inaccurate or different from that provided others, because of race.
- 359002 Section 100.120 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions to discriminate against any person by failing or refusing to provide to any person, information regarding the availability of loans or other financial assistance, application requirements, procedures or standards for the review and approval of loans or financial assistance, or providing information which is inaccurate or different from that provided others, because of color.
- 359003 Section 100.120 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions to discriminate against any person by failing or refusing to provide to any person, information regarding the availability of loans or other financial assistance, application requirements, procedures or standards for the review and approval of loans or financial assistance, or providing information which is inaccurate or different from that provided others, because of religion.

CODE**NUMBER****FAIR HOUSING**

- 359004 Section 100.120 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions to discriminate against any person by failing or refusing to provide to any person, information regarding the availability of loans or other financial assistance, application requirements, procedures or standards for the review and approval of loans or financial assistance, or providing information which is inaccurate or different from that provided others, because of sex.
- 359005 Section 100.120 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions to discriminate against any person by failing or refusing to provide to any person, information regarding the availability of loans or other financial assistance, application requirements, procedures or standards for the review and approval of loans or financial assistance, or providing information which is inaccurate or different from that provided others, because of handicap.
- 359006 Section 100.120 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions to discriminate against any person by failing or refusing to provide to any person, information regarding the availability of loans or other financial assistance, application requirements, procedures or standards for the review and approval of loans or financial assistance, or providing information which is inaccurate or different from that provided others, because of familial status.
- 359007 Section 100.120 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in residential real estate-related transactions to discriminate against any person by failing or refusing to provide to any person, information regarding the availability of loans or other financial assistance, application requirements, procedures or standards for the review and approval of loans or financial assistance, or providing information which is inaccurate or different from that provided others, because of national origin.

CODE**NUMBER****FAIR HOUSING**

- 359201 Section 100.125 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the purchasing of loans or other debts or securities which support the purchase, construction, improvement, repair or maintenance of a dwelling, or which are secured by residential real estate, to refuse to purchase such loans, debts, or securities, or to impose different terms or conditions for such purchases because of race. Unlawful conduct includes: purchasing loans or other debts or securities secured by dwellings in certain communities or neighborhoods but not in others because of race; pooling or packaging loans or other debts or securities which relate to, or which are secured by, dwellings differently because of race; or imposing or using different terms or conditions on the marketing or sale of securities issued on the basis of loans or other debts or securities which relate to, or which are secured by, dwellings because of race.
- 359202 Section 100.125 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the purchasing of loans or other debts or securities which support the purchase, construction, improvement, repair or maintenance of a dwelling, or which are secured by residential real estate, to refuse to purchase such loans, debts, or securities, or to impose different terms or conditions for such purchases because of color. Unlawful conduct includes: purchasing loans or other debts or securities secured by dwellings in certain communities or neighborhoods but not in others because of color; pooling or packaging loans or other debts or securities which relate to, or which are secured by, dwellings differently because of color; or imposing or using different terms or conditions on the marketing or sale of securities issued on the basis of loans or other debts or securities which relate to, or which are secured by, dwellings because of color.

CODE**NUMBER****FAIR HOUSING**

- 359203 Section 100.125 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the purchasing of loans or other debts or securities which support the purchase, construction, improvement, repair or maintenance of a dwelling, or which are secured by residential real estate, to refuse to purchase such loans, debts, or securities, or to impose different terms or conditions for such purchases because of religion. Unlawful conduct includes: purchasing loans or other debts or securities secured by dwellings in certain communities or neighborhoods but not in others because of religion; pooling or packaging loans or other debts or securities which relate to, or which are secured by, dwellings differently because of religion; or imposing or using different terms or conditions on the marketing or sale of securities issued on the basis of loans or other debts or securities which relate to, or which are secured by, dwellings because of religion.
- 359204 Section 100.125 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the purchasing of loans or other debts or securities which support the purchase, construction, improvement, repair or maintenance of a dwelling, or which are secured by residential real estate, to refuse to purchase such loans, debts, or securities, or to impose different terms or conditions for such purchases because of sex. Unlawful conduct includes: purchasing loans or other debts or securities secured by dwellings in certain communities or neighborhoods but not in others because of sex; pooling or packaging loans or other debts or securities which relate to, or which are secured by, dwellings differently because of sex; or imposing or using different terms or conditions on the marketing or sale of securities issued on the basis of loans or other debts or securities which relate to, or which are secured by, dwellings because of sex.

CODE**NUMBER****FAIR HOUSING**

- 359205 Section 100.125 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the purchasing of loans or other debts or securities which support the purchase, construction, improvement, repair or maintenance of a dwelling, or which are secured by residential real estate, to refuse to purchase such loans, debts, or securities, or to impose different terms or conditions for such purchases because of handicap. Unlawful conduct includes: purchasing loans or other debts or securities secured by dwellings in certain communities or neighborhoods but not in others because of handicap; pooling or packaging loans or other debts or securities which relate to, or which are secured by, dwellings differently because of handicap; or imposing or using different terms or conditions on the marketing or sale of securities issued on the basis of loans or other debts or securities which relate to, or which are secured by, dwellings because of handicap.
- 359206 Section 100.125 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the purchasing of loans or other debts or securities which support the purchase, construction, improvement, repair or maintenance of a dwelling, or which are secured by residential real estate, to refuse to purchase such loans, debts, or securities, or to impose different terms or conditions for such purchases because of familial status. Unlawful conduct includes: purchasing loans or other debts or securities secured by dwellings in certain communities or neighborhoods but not in others because of familial status; pooling or packaging loans or other debts or securities which relate to, or which are secured by, dwellings differently because of familial status; or imposing or using different terms or conditions on the marketing or sale of securities issued on the basis of loans or other debts or securities which relate to, or which are secured by, dwellings because of familial status.

CODE**NUMBER****FAIR HOUSING**

- 359207 Section 100.125 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the purchasing of loans or other debts or securities which support the purchase, construction, improvement, repair or maintenance of a dwelling, or which are secured by residential real estate, to refuse to purchase such loans, debts, or securities, or to impose different terms or conditions for such purchases because of national origin. Unlawful conduct includes: purchasing loans or other debts or securities secured by dwellings in certain communities or neighborhoods but not in others because of national origin; pooling or packaging loans or other debts or securities which relate to, or which are secured by, dwellings differently because of national origin; or imposing or using different terms or conditions on the marketing or sale of securities issued on the basis of loans or other debts or securities which relate to, or which are secured by, dwellings because of national origin.
- 359401 Section 100.130 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the making of loans or in the provision of other financial assistance relating to the purchase, construction, improvement, repair or maintenance of dwellings or which are secured by residential real estate to impose different terms or conditions for the availability of such loans or other financial assistance because of race. Unlawful conduct includes: using different policies, practices or procedures in evaluating or in determining creditworthiness of any person in connection with the provision of any loan or other financial assistance for a dwelling or for any loan or other financial assistance which is secured by residential real estate because of race; determining the type of loan or other financial assistance to be provided with respect to a dwelling or fixing the amount, interest rate, duration or other terms for a loan or other financial assistance for a dwelling or which is secured by residential real estate, because of race.

CODE**NUMBER****FAIR HOUSING**

- 359402 Section 100.130 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the making of loans or in the provision of other financial assistance relating to the purchase, construction, improvement, repair or maintenance of dwellings or which are secured by residential real estate to impose different terms or conditions for the availability of such loans or other financial assistance because of color. Unlawful conduct includes: using different policies, practices or procedures in evaluating or in determining creditworthiness of any person in connection with the provision of any loan or other financial assistance for a dwelling or for any loan or other financial assistance which is secured by residential real estate because of color; determining the type of loan or other financial assistance to be provided with respect to a dwelling or fixing the amount, interest rate, duration or other terms for a loan or other financial assistance for a dwelling or which is secured by residential real estate, because of color.
- 359403 Section 100.130 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the making of loans or in the provision of other financial assistance relating to the purchase, construction, improvement, repair or maintenance of dwellings or which are secured by residential real estate to impose different terms or conditions for the availability of such loans or other financial assistance because of religion. Unlawful conduct includes: using different policies, practices or procedures in evaluating or in determining creditworthiness of any person in connection with the provision of any loan or other financial assistance for a dwelling or for any loan or other financial assistance which is secured by residential real estate because of religion; determining the type of loan or other financial assistance to be provided with respect to a dwelling or fixing the amount, interest rate, duration or other terms for a loan or other financial assistance for a dwelling or which is secured by residential real estate, because of religion.

CODE**NUMBER****FAIR HOUSING**

- 359404 Section 100.130 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the making of loans or in the provision of other financial assistance relating to the purchase, construction, improvement, repair or maintenance of dwellings or which are secured by residential real estate to impose different terms or conditions for the availability of such loans or other financial assistance because of sex. Unlawful conduct includes: using different policies, practices or procedures in evaluating or in determining creditworthiness of any person in connection with the provision of any loan or other financial assistance for a dwelling or for any loan or other financial assistance which is secured by residential real estate because of sex; determining the type of loan or other financial assistance to be provided with respect to a dwelling or fixing the amount, interest rate, duration or other terms for a loan or other financial assistance for a dwelling or which is secured by residential real estate, because of sex.
- 359405 Section 100.130 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the making of loans or in the provision of other financial assistance relating to the purchase, construction, improvement, repair or maintenance of dwellings or which are secured by residential real estate to impose different terms or conditions for the availability of such loans or other financial assistance because of handicap. Unlawful conduct includes: using different policies, practices or procedures in evaluating or in determining creditworthiness of any person in connection with the provision of any loan or other financial assistance for a dwelling or for any loan or other financial assistance which is secured by residential real estate because of handicap; determining the type of loan or other financial assistance to be provided with respect to a dwelling or fixing the amount, interest rate, duration or other terms for a loan or other financial assistance for a dwelling or which is secured by residential real estate, because of handicap.

CODE**NUMBER****FAIR HOUSING**

- 359406 Section 100.130 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the making of loans or in the provision of other financial assistance relating to the purchase, construction, improvement, repair or maintenance of dwellings or which are secured by residential real estate to impose different terms or conditions for the availability of such loans or other financial assistance because of familial status. Unlawful conduct includes: using different policies, practices or procedures in evaluating or in determining creditworthiness of any person in connection with the provision of any loan or other financial assistance for a dwelling or for any loan or other financial assistance which is secured by residential real estate because of familial status; determining the type of loan or other financial assistance to be provided with respect to a dwelling or fixing the amount, interest rate, duration or other terms for a loan or other financial assistance for a dwelling or which is secured by residential real estate, because of familial status.
- 359407 Section 100.130 of the Department of Housing and Urban Development Fair Housing regulations (24 CFR) makes it unlawful for any person or entity engaged in the making of loans or in the provision of other financial assistance relating to the purchase, construction, improvement, repair or maintenance of dwellings or which are secured by residential real estate to impose different terms or conditions for the availability of such loans or other financial assistance because of national origin. Unlawful conduct includes: using different policies, practices or procedures in evaluating or in determining creditworthiness of any person in connection with the provision of any loan or other financial assistance for a dwelling or for any loan or other financial assistance which is secured by residential real estate because of national origin; determining the type of loan or other financial assistance to be provided with respect to a dwelling or fixing the amount, interest rate, duration or other terms for a loan or other financial assistance for a dwelling or which is secured by residential real estate, because of national origin.

CODE**NUMBER****HOME MORTGAGE DISCLOSURE ACT**

- 370101 Section 203.4(a) of Regulation C requires a nonexempt financial institution to collect certain data on applications for, and originations and purchases of, home purchase and home improvement loans (including refinancings of both) for each calendar year. These transactions shall be recorded, within thirty calendar days after the end of the quarter in which the final action is taken.
- 370102 Section 203.4(a) of Regulation C requires a nonexempt financial institution to collect certain data on applications for, and originations, purchases and refinancings of, home purchase and home improvement loans for each calendar year. These transactions shall be recorded on a register in the format prescribed in Appendix A. The data must include the following items:
- (1) A number for the loan or loan application, and the date the application was received.
 - (2) The type and purpose of the loans (including multifamily dwellings).
 - (3) The owner-occupancy status of the property to which the loan relates.
 - (4) The amount of the loan or application.
 - (5) The type of action taken, and the date.
 - (6) The location of the property to which the loan relates, by MSA, state, county, and census tract, if the institution has a home or a branch office in that MSA.
 - (7) The race or national origin and sex of the applicant or borrower, and the gross annual income relied upon in processing the application.
 - (8) The type of entity purchasing a loan that the institution originates or purchases and then sells within the same calendar year.
- 370103 Section 203.4(a) of Regulation C requires a nonexempt financial institution to collect certain data on applications for, and originations, purchases and refinancings of, home purchase and home improvement loans for each calendar year. These transactions shall be recorded in accordance with Appendix A, which provides that a nonexempt financial institution should not report as originations loans that it forwarded to another lender for approval prior to closing, and that were approved and subsequently acquired by that lender (whether or not they were closed in the name of the nonexempt financial institution). Additionally, Appendix A provides that a nonexempt financial institution shall report the data for all applications that did not result in originations (whether or not they would have closed in the name of the nonexempt financial institution).

CODE**NUMBER****HOME MORTGAGE DISCLOSURE ACT**

- 370301 Section 203.4(b) of Regulation C requires a nonexempt financial institution (with assets of more than \$30 million on the preceding December 31) to collect and record data (unless excluded) on race or national origin, sex and income of applicant or borrower as prescribed in Appendix B. (Section 338.8(a) of the FDIC Fair Housing revised regulations requires a financial institution which has any office in a PMSA or MSA and total assets of \$10 million or more on the preceding December 31 to collect data on race or national origin, sex and income as specified in the regulations).
- 370501 Section 203.5(a) of Regulation C requires a nonexempt financial institution to send two copies of its complete loan application register (Appendix A provides that institutions are expected to submit data to their supervisory agencies in an automated, machine-readable form unless 25 or fewer application and loan entries are reported.) to the appropriate FDIC Regional Manager by March 1 of the next year and to retain a copy of the register for at least three years.
- 370701 Section 203.5(b) of Regulation C requires a nonexempt financial institution to make its mortgage loan disclosure statement (prepared by the FFIEC) available to the public at its home office within 3 days of its receipt and in at least one branch office in each additional MSA where the financial institution has offices within ten business days after receipt.
- 370801 Section 203.5(c) of Regulation C requires a nonexempt financial institution to make a modified version (in accordance with Appendix A) of its loan application register available to the public by March 31 for requests received on or before March 1 following the year for which the data was compiled, and within 30 days for requests made after March 1. The modified register made available at a branch office need only contain data relating to properties in the MSA where the branch is located.

**CODE
NUMBER HOME MORTGAGE DISCLOSURE ACT**

- 370901 Section 203.5(d) of Regulation C requires a nonexempt financial institution to make its modified register available for a period of three years and its disclosure statement available for a period of five years. In accordance with Appendix A, a complete copy of the disclosure statement and modified register must be made available to the public at the home office. For other MSA's, the disclosure statement and modified register must be available in at least one branch office in each of those MSA's, but need only contain data concerning the properties within the MSA where the branch is located. The financial institution shall make the data available for inspection and copying during normal business hours and may impose a reasonable fee for any cost incurred in providing or reproducing the data.
- 371101 Section 203.5(e) of Regulation C requires a nonexempt financial institution to post a general notice about the availability of its HMDA data (consisting of the disclosure statement and modified register) in the lobby(ies) of its home office and any branch office located in an MSA. Locations of availability may be shown on the notice or, otherwise, promptly provided upon request.

March 18, 1996

IMPORTANT

COMMUNITY REINVESTMENT ACT

Effective January 1, 1996 the following violation descriptions pertain to large institutions only. Additional violation descriptions pertaining to small institutions, large institutions opting for early application of new regulations, wholesale and limited-purpose institutions, and those institutions examined under a strategic plan will be forthcoming.

<u>CODE NUMBER</u>	<u>COMMUNITY REINVESTMENT ACT</u>
440101	Section 345.3(a) of FDIC regulations requires a financial institution to delineate its local community(ies).
440102	Section 345.3(a) of FDIC regulations requires use of a map to portray the community delineation(s).
440103	Section 345.3(a) of FDIC regulations requires a financial institution to make a reasonable delineation of the community(ies).
441001	Section 345.4(a) of FDIC regulations requires a financial institution to adopt a CRA statement for each delineated community.
441301	Section 345.4(b)(1) of FDIC regulations requires the CRA statement to include a delineation of the local community.
441601	Section 345.4(b)(2) of FDIC regulations requires the CRA statement to include a list of the types of credit the financial institution is prepared to extend in the local community.
441901	Section 345.4(b)(3) of FDIC regulations requires the CRA statement to include a copy of the CRA notice.
442201	Section 345.4(d) of FDIC regulations requires a financial institution's board of directors to review each CRA statement annually, act upon any material changes made in the interim and record such action in the minutes.
442501	Section 345.4(e) of FDIC regulations requires a financial institution to make each CRA statement available for public inspection.
442801	Section 345.4(f) of FDIC regulations requires a financial institution to provide a copy of the CRA statement to a member of the public upon request.
443101	Section 345.5(a) of FDIC regulations requires each financial institution to maintain public files consisting of public comments, copy of the public section of the most recent CRA Performance Evaluation prepared by the FDIC, any responses to public comments and CRA statements in effect during the past 2 years.

CODE
NUMBER **COMMUNITY REINVESTMENT ACT**

- 443201 Section 345.5(c) of FDIC regulations requires that these public files contain: all materials at the home office; materials relating to each community at a designated office in that community; and the most recent CRA Performance Evaluation and any responses by the financial institution at the home office and at each designated office in each local community.
- 443301 Section 345.5(d) of FDIC regulations requires each financial institution to provide copies of the public section of its most recent CRA Performance Evaluation to the public upon request.
- 443401 Section 345.6 of FDIC regulations requires each financial institution to provide, in the public lobby of each office, the public notice(s) of the availability of the CRA statement and, when available, the CRA Performance Evaluation.
- 443402 Section 345.6 of FDIC regulations requires the use of prescribed language in the lobby poster.

CODE
NUMBER **EXPEDITED FUNDS AVAILABILITY**

- 500101 Section 229.10 of Regulation CC requires that funds from electronic payment, U. S. Treasury checks and "On Us" checks deposited in a branch of the bank in the same state or check processing region be made available for withdrawal no later than the first business day following the date of deposit.
- 500102 Section 229.10 of Regulation CC requires that funds from cash deposits, government checks, U.S. Postal Service money orders and certain official checks, along with special deposit slips (if required by the bank), deposited in person to a bank employee be made available for withdrawal no later than the first business day following the day of deposit, and no later than the second business day following receipt of deposit if the deposit is not made in person to a bank employee unless a reasonable cause to doubt collectibility exists and a special notice is given.
- 500701 Section 229.10(c)(1)(vii) of Regulation CC generally requires that the lesser of \$100 or the customer's daily aggregate deposits of checks not subject to the next-day availability rules be made available on the next business day.
- 500801 Section 229.10(c)(3)(ii) of Regulation CC requires that a bank which requires the use of special deposit slips (or special envelopes) must either provide these slips or inform its customers how to prepare or obtain the slips which must be reasonably available.
- 501001 Section 229.12(b) of Regulation CC requires that funds from local checks and certain other checks must be available for withdrawal not later than the second business day following deposit.
- 501201 Section 229.12(c) of Regulation CC requires, in general, that funds from nonlocal checks specified in Appendix B-2 must be available for withdrawal not later than the times prescribed, and funds from nonlocal checks not specified in Appendix B-2 must be available for withdrawal not later than the fifth days following deposit.

CODE NUMBER	<u>EXPEDITED FUNDS AVAILABILITY</u>
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501401	Section 229.12(d) of Regulation CC allows a bank to extend for one business day the time funds are available for withdrawal by cash or similar means. However, \$400 of these funds must be made available for withdrawal by cash or similar means not later than 5:00 p.m. on the business day on which funds are required to be available under paragraphs (b) and (c). This \$400 is in addition to the \$100 available under Section 229.10(c)(1)(vii).
501601	Section 229.12(f) of Regulation CC provides that deposits at a nonproprietary automatic teller machine (ATM) shall be available for withdrawal by the <u>fifth</u> business day following the banking day of deposit.
501701	Section 229.13(a) of Regulation CC requires certain procedures for exceptions for new accounts.
501901	Section 229.13(b) of Regulation CC requires certain procedures for exceptions for large deposits of consumers.
501902	Section 229.13(b) of Regulation CC requires certain procedures for exceptions for large deposits of nonconsumers.
502101	Section 229.13(c) of Regulation CC requires certain procedures for exceptions for redeposited checks of consumers.
502102	Section 229.13(c) of Regulation CC requires certain procedures for exceptions for redeposited checks of nonconsumers.
502301	Section 229.13(d) of Regulation CC requires certain procedures for exceptions for repeated overdrafter.
502501	Section 229.13(e) of Regulation CC requires certain procedures for exceptions for a reasonable cause to doubt collectibility.
502701	Section 229.13(f) of Regulation CC requires certain procedures for exceptions for emergency conditions.

**CODE
NUMBER EXPEDITED FUNDS AVAILABILITY**

- 502901 Section 229.13(g) of Regulation CC requires that, when invoking an exception hold for an account other than a new account, the bank must provide the customer with a notice containing certain information within prescribed time periods. (A one-time exception notice or notice of repeated overdrafts exception may be used for certain exceptions.)
- 503101 Section 229.13(h) of Regulation CC provides that when a bank invokes one of the exceptions (other than new account) certain extensions are permitted depending on the type of check involved.
- 503501 Section 229.14 of Regulation CC requires that, for each interest-bearing transaction account offered by the bank, the bank begins to accrue interest on the funds deposited no later than the business day on which the bank receives provisional credit for the funds.
- 503601 Section 229.15 of Regulation CC requires general disclosure requirements regarding the form of disclosure, uniform reference to day of availability, multiple accounts, and dormant accounts.
- 503701 Section 229.16 of Regulation CC requires a disclosure of the availability policy followed by the bank in most cases including information on any exceptions under Section 229.13, on any case-by-case delays, and on the difference between proprietary and nonproprietary ATM's if deposits in the latter have a longer availability period.
- 503702 Section 229.16 of Regulation CC requires that the written notice (containing certain information) on holds (case-by-case delays) be provided to the depositor at the time of deposit unless the deposit is not made in person to an employee of the bank or the decision to extend the time of availability is made after the time of deposit. If the notice is not given at the time of deposit, it must be mailed or delivered to the customer not later than the first business day following the day of deposit.
- 503703 Section 229.16 of Regulation CC requires that, if the notice of extended hold (case-by-case delay) is not given at the time of deposit, the bank must refrain from charging the customer overdraft or return check fees if the delay caused the fees and the check was paid by the paying bank. If the bank charges such fees, it must notify the customer of the right to a refund and refund the fees if requested.

<u>CODE NUMBER</u>	<u>EXPEDITED FUNDS AVAILABILITY</u>
504301	Section 229.17 of Regulation CC requires that the availability policy disclosure be provided before a new customer opens an account and be provided to existing customers by mail.
504501	Section 229.18 of Regulation CC requires certain disclosures for deposit slips, locations where consumer deposits are accepted, automated teller machines, and any changes in the funds availability policy.
504502	Section 229.18 of Regulation CC requires, upon request, the bank to provide the notice containing the applicable specific availability policy disclosure described in Section 229.16.
504701	Section 229.19 of Regulation CC requires that funds received at ATM's, night depositories or similar facilities, and bank offices by certain times must follow certain availability schedules.
504901	Section 229.19(d) of Regulation CC requires certain procedures for banks which calculate availability for non-consumer accounts based on a sample of customers' deposits.
505101	Section 229.19(f) of Regulation CC requires that each bank shall establish procedures to ensure that it complies with the regulations and shall provide each employee who performs duties subject to the regulations with a statement of procedures applicable to that employee.
505301	Sections 229.21(g) and 229.13(g)(4) of Regulation CC require that, if "reasonable cause" exceptions are invoked, notices, together with a brief statement of the appropriate facts, must be retained for two years.

<u>CODE NUMBER</u>	<u>CREDIT PRACTICES RULE</u>
541101	Section 227.13(a) of Federal Reserve Regulation AA prohibits a financial institution from entering into a consumer credit obligation or from enforcing any provisions contained in a purchased consumer credit obligation that contains a confession of judgment.
541301	Section 227.13(b) of Federal Reserve Regulation AA prohibits a financial institution from entering into a consumer credit obligation or from enforcing any provisions contained in a purchased consumer credit obligation that contains a waiver of exemption.
541501	Section 227.13(c) of Federal Reserve Regulation AA prohibits a financial institution from entering into a consumer credit obligation or from enforcing any provisions contained in a purchased consumer credit obligation that contains an irrevocable assignment of wages.
541701	Section 227.13(d) of Federal Reserve Regulation AA prohibits a financial institution from entering into a consumer credit obligation or from enforcing any provisions contained in a purchased consumer credit obligation that contains a nonpurchase money security interest in household goods.
541901	Section 227.14(a) of Federal Reserve Regulation AA prohibits a financial institution from misrepresenting the nature or extent of cosigner liability in connection with an extension of consumer credit, or to obligate a cosigner unless he or she has previously been informed of the nature of the cosigner liability.
542101	Section 227.14(b) of Federal Reserve Regulation AA requires that a notice disclosing the nature of the obligation be given to each cosigner, either in a separate document or in the credit obligation, prior to the time that the cosigner becomes obligated. This section further requires the notice to contain language substantially similar to the Notice to Cosigner specified in the regulation.

CODE**NUMBER****RIGHT TO FINANCIAL PRIVACY**

- 770101 Section 1103(a) of the Right to Financial Privacy Act prohibits a financial institution from providing a federal governmental authority access to the financial records of a customer except in accordance with the provisions of the Act.
- 770301 Section 1103(b) of the Right to Financial Privacy Act prohibits the releasing of financial records of a customer before the federal government authority seeking such records has certified in writing that it has complied with the applicable provisions of the Act.
- 770501 Section 1104(b) of the Right to Financial Privacy Act prohibits a financial institution from requiring a customer to authorize disclosure of his or her financial records to a federal governmental authority as a condition of doing business with the financial institution.
- 770701 Section 1104(c) of the Right to Financial Privacy Act requires a financial institution to keep a record of all instances in which a customer's financial records were disclosed to a federal governmental authority pursuant to the customer's written authorization.
- 770702 Section 1104(c) of the Right to Financial Privacy Act requires a financial institution, upon customer's request, to give him or her a copy of the record kept of all instances in which the customer's financial records were disclosed to a federal governmental authority pursuant to the customer's written authorization.
- 771101 Section 1113(h)(6) of the Right to Financial Privacy Act requires a financial institution to maintain a record of each disclosure of a customer's financial records to a federal governmental authority in connection with the authority's consideration or administration of assistance to the customer in the form of a federal governmental loan, loan guaranty or loan insurance program.
- 771102 Section 1113(h)(6) of the Right to Financial Privacy Act requires a financial institution, upon a customer's request, to permit the customer to inspect the record of all disclosures made to a federal governmental authority in connection with the authority's consideration or administration of assistance to the customer in the form of a government loan, loan guaranty or loan insurance program.

CODE**NUMBER****PART 328 – ADVERTISEMENT OF MEMBERSHIP**

- 800101 Section 328.2 of the FDIC regulations requires each insured bank to continuously display the official bank sign at each station or window where insured deposits are usually and normally received in its main office and any branches except on automatic service facilities.
- 800301 Section 328.3 of the FDIC regulations requires each insured bank to include, with certain exceptions, the official advertising statement in all advertisements.